

LOMBARD

Some people like it here

BY GEOFFREY OWEN

MR. GEORGE BALL, former Secretary of State and now an investment banker on Wall Street, was this week reported as saying that doing business in the U.K. was "very difficult".

There are no denying that this upsurge is taking place and that some European companies which are making takeovers up and down the U.S. may be influenced in part by the desire to find a more congenial climate, where unions understand what capitalism is about.

New mood

Apart from the celebrated engine plant which Ford is to build in South Wales, a number of American companies have been quietly—or in one or two cases not so quietly—trying to buy up medium-sized British manufacturing businesses.

There have always been some American companies, of which Cummins and Caterpillar are two notable examples, which have been investing steadily in the U.K. and do not appear to have been greatly affected by changes in sentiment back in the U.S.

BUSINESS AND THE COURTS

The Advocate and the bananas

A. H. HERMAN, Legal Correspondent

THE ROLE of the Advocate General of the European Court of Justice is something of a puzzle. The Court has four such officers at present and as each case reaches the Court it is assigned to one of the Advocates who follows the written and oral proceedings and after these are concluded he presents his Opinion to the Court.

The parties in the case do not normally have any opportunity of being heard after the Advocate General has spoken, and this has been often pointed to as a weakness in the procedure, not only by commercial lawyers, but also by British Government lawyers.

Such critics feel that member Governments should be given an opportunity to take a stand on any new arguments or propositions made by the Advocate General, particularly when the Court has been asked to interpret EEC law—and this in

Henri Mayras on November 8 expensive branded product on deploying vast financial resources for advertising and promotion.

In its application, United Brands argues that "The Advocate-General's submission about certain banana brands is not a submission on advertising by United Brands and its competitors."

But many will look to the Court for guidance on this point. The Court may find it necessary to classify well known brand names with marks and advertising, and to decide whether they were abused in a way prohibited by Article 86 of the Treaty of Rome.

implied matters which were not views it. Talking to me the day before he delivered his Opinion in particular the company gives in the Advocate General at the European Court was "to be the guardian of the public interest."

By making a decision on United Brands' application for a reopening of the oral proceedings the Court will therefore necessarily contribute to a better definition of the role of the Advocate-General. However if it takes the view that the Advocate is in fact telling the Court what he considers to be the public interest in the case, it will follow that the entire procedure of the Court is in need of a fundamental revision.

However much one may sympathise with this concept of the Advocate-General's role, it is not how Mr. Henri Mayras, an Advocate-General in the French tradition, or

Ferry Point 4lb better off

FROST put paid to any hopes of racing in Britain yesterday, wiping out the meetings at Haydock and Sedgely and the Lancashire course is in danger again today. A decision on the possibility of racing due will be taken at 7.30 a.m.

RACING BY DOMINIC WIGAN

At Wincanton, where there is a marked shortage of runners, with a total of just 26 competitors for five of the races, the feature Tom Caxton Home Brew Hurdle has, in contrast, attracted a worthwhile field of 13.

Continental art brings £628,120 at Sotheby's

HIGH PRICES were paid at Sotheby's auction of Continental art yesterday. The sale of clocks, skeleton clocks, watches and barometers at Christie's yesterday totalled £14,000.

WINCANTON

12.45—Successor 1.15—Sonny Smery 1.45—Ferry Point 2.15—Pettimot 2.45—Harry Bator 3.15—Silent Hill

Continental art brings £628,120 at Sotheby's

at a scene of smiling cardinals and a private buyer. The sale of clocks, skeleton clocks, watches and barometers at Christie's yesterday totalled £14,000.

WINE SALE

THANKS LARGELY to American and Continental buyers, prices of leading Bordeaux at yesterday's Sotheby's fine and rare wine sale were distinctly high, including some for vintages and chateaux not particularly esteemed.

TV Radio

BBC 1 Peter. 5.55 Ivor the Engine. 5.40 News. 5.55 Nationwide (London and South East only). 6.20 Nationwide. 6.45 To-morrow's World. 7.10 Top of the Pops. 7.40 Citizen Smith. 8.10 When the Boat Comes In. 9.00 News. 9.25 The Big Time. 10.15 Omnibus. 11.05 To-night. 11.45 Weather/Regional News.

F.T. CROSSWORD PUZZLE No. 3,533

Crossword puzzle grid with numbers 1-28 in the starting positions.

- ACROSS 1 Censure makes a salesman hit the ceiling (7) 5 Holmes' brother comes to my small holding (7) 9 Spice for a fellow about fifty (5) 10 Prevailed not against Michael and his angels (3, 6) 11 Whence Joseph came to Clasonbury (wrapped in a Bari mat he acquired?) (9) 12 A special edition, but it is not a hit (5) 13 Meaning to note the split (5) 14 Dark horse disturbs the rest (9) 15 Was Edward always owning up? (9) 16 Farm (5) 17 Time after time the proverbial (5) 18 Telly Savalas gets up and speculates (9) 19 Portrayed with dignity (9) 20 Scotch town for everyone with two levels (5) 21 Arctic hero gives these to us (7) 22 Some day restores the dog (7)

All regions as BBC 1 except at the following times: Wales—4.40 p.m. Crystal Tipps and Allister. 4.45-5.00 Bobel (2) Mellich Mathewell. 5.55-6.20 Wales To-day. 6.45-7.10 11.45 News and Weather for Wales.

LONDON

9.30 a.m. For Schools. 10.45 Help 11.00 For Schools (continued). 12.00 Animal Kingdom. 12.10 p.m. Rainbow. 12.30 Weather Wise. 1.00 News plus FT index. 1.30 Help 1.50 Crown Court. 2.00 After Noon. 2.15 Good News. 2.30 The Squirrels. 3.50 The Cedar Tree. 4.20 The Little House on the Prairie. 5.15 Mr. and Mrs. 6.00 Thames at 6. 6.35 Crossroads. 7.00 The Bionic Woman.

RADIO 1 247m 6.50 a.m. As Radio 2. 7.20 News. 8.00 Simon Star. 11.35 Paul Smart. 12.00 Tony Blackburn. 12.15 The Musical Home Radio 1. 12.22 John Peel. 12.30-12.45 a.m. As Radio 2.

WINE SALE

Leading Bordeaux fetch high prices

THANKS LARGELY to American and Continental buyers, prices of leading Bordeaux at yesterday's Sotheby's fine and rare wine sale were distinctly high, including some for vintages and chateaux not particularly esteemed.

Bank Leumi Base Rate

Bank Leumi (U.K.) Ltd. announces that, with effect from Wednesday, November 30th, 1977, its Base Rate for lending is increased from 6% to 7 1/2%.

FINANCIAL TIMES

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Rigoletto

by ANDREW PORTER

The first new production of the Metropolitan season is a breathtaking *Aida* — platforms and bill screens — that Helmut Rigoletto conducted by James Levine and staged by John Dexter — the team responsible for the Met's artistic direction. Last season's *Lulu* has been their great achievement to date; their general achievement, a large one, has been to raise the house's level of seriousness. No longer is the Met season just a cavalcade of big names, once followed by lesser names, once the first few performances of any opera have been given passing across the stage.

At the same time, this *Rigoletto*, like last year's Levine-Dexter *Aida* and the *Prophecy* that Dexter staged earlier this year, raises serious doubts about their understanding of nineteenth-century opera. When Levine and Dexter talk about their aims, it is in the familiar terms of stripping away the accretions of tradition, of finding a composer's "inner meaning," of discovering a way to make an opera vivid again to a contemporary audience. This is the stock stuff of what matters is that their results are less effective than those achieved by, say, Peter Hall at Glyndebourne or Gotz Friedrich at Covent Garden.

The new Met *Rigoletto*, like *Aida* and *Le Prophète*, is mounted on a single set. Dexter preaches economic necessity, and it is true that he has been keeping production costs down. Unit sets can work; witness Edinburg's *Carmen*, or the simple, "build-up," from an empty stage

to full ensemble, both specified in the score and defined by the music. When everyone is around from the start, the striking entrances that Verdi planned for the Duke and then for Rigoletto are lost. In the second scene, Gilda's abduction almost gets a laugh. In the last, the Duke addresses the second stanza of "La donna e mobile" to Maddalena. The individual acting — all except Gilda's — is unimaginative to the point of dullness. Cornell MacNeil has two expressions, mouth open and mouth shut, eyes creased up for both. Maddalena is a luscious sexpot, wearing a dress so low-cut that the main dramatic interest lies in wondering whether it will contain her safely to the end of the scene.

Ileana Cotrubas, however, was a real character, touching in every phrase, exquisite in her portrayal of the girl who, Juliet-like, moves from innocence and obedience to passion, willfulness, and tragedy. In ensembles, her voice rang out with surprising heat accompanied by a judicious use of the jaw. The Met is a huge house to fill, and maybe she was using force, instead of relying on purity of tone and projection to carry the day.

Plácido Domingo was a handsome Duke, but he and Levine gave us a stiff, unfeeling, inelegant "Questa o quella" and

Two centuries ago, Wycherley's *The Country Wife* was given the approving seal of "very pleasant and instructive satire." A century later, William Archer labelled it one of the finest plays in the language. Permissiveness has so far advanced with us to-day that we may regard it as pleasant without necessarily being instructive. In a society where sexual freedom is taken for granted, the desire of all Wycherley's male characters (apart from the unhappy Pinchwife) to go to bed with someone else's wife, and the desire of most of the female characters to go to bed with Horner as soon as it has been discovered that his reputation of impotence has been exaggerated, can be taken for granted. Add only a Eunuchs' Lih faction to support Horner, and the picture comes fully into our own world.

The National's production rightly plays for laughs and leaves the audience to deduce what instruction it likes. It is set before a pretty pavilion designed by John Barry; its location can be changed instantly by a spin of the revolve, bringing a new back wall into view to make sufficient distinction between one room and another, and once opening out to represent the traffic of the New Exchange.

Everything goes very brightly under the direction of Peter Hall and Stewart Trotter. So why did I begin to feel impatient halfway through Act V?

The answer, I think, lies in the acting. There is an odd sameness about all those young wits, even about Ben Kingsley's Sparkish, who cannot stay still for a moment but shifts from one leg to another or flaps his arms as if he were longing to go off for a pee. Kenneth Cranham, showing an unfamiliar facet of his talent, is a reserved and sulky Harcourt who releases his best spurts of personality when he is disguised as a priest and pretending to be his twin brother. Even Albert



Albert Finney and Elizabeth Spriggs

Elizabeth Spriggs as Lady Fidget suggests a true individual; the wedding day to run off with rest — apart from Margery Pinchwife and her sister-in-law Althea — are high-quality mass-produced items of society. Not impossible that both Wycherley and Peter Hall meant them so; but without some more personal approaches to lechery and seduction, the basic joke tends to run down.

Susan Littler is an attractive Margery, with her Mummeret accent and naive country face. She made me laugh a lot as she wrote her letters, even though she wrote them at a pace that would test a Speedwriting expert. Folly Adams — plays Althea prettily — as near a decent girl as the play offers, even if she does

desert her husband on their would clearly dominate a country estate but finds the subtleties of town life too much for him to cope with. I like the Sir Jasper of Robin Bailey, too, an actor to whom elegance is second nature. The high-spirited conclusion is high-spirited indeed, though I find it hard to take. "A dance of cuckolds" is a stage-direction easier to write than to mount, and those horned dancers, doubtless a winner for the wits in the pit in Restoration days, don't produce quite the same effect in our own. Besides, they have us reaching for our umbrellas while to meet and long for above any, we ought to be paying attention to Miss Spriggs's eloquent speaking of the epilogue which follows.



Judging by the quality of the works up for sale the first Burlington International Fine Art Fair, which opens at the Royal Academy in Piccadilly to-day, should be a great success. After the initial surprise that the Royal Academy should throw open its finest rooms to dealers throughout the world there is now a feeling of satisfaction. For the 40 exhibitors from all over the world have come up with some very choice items.

Indeed this is probably the best display of paintings for sale ever mounted in this country and thus provides a wonderful exhibition of art to anyone prepared to pay £1.50 (which includes a catalogue) to visit the Royal Academy between now and December 16.

The pictures, plus a few items of furniture, sculptures and drawings, are spaciouly hung, and range from a Tintoretto "The

Raising of Lazarus" (above) acquired by Colnaghi at the last moment and the most costly item for sale, at over 1m. dollars, to the odd contemporary artist, some Lowrys, and the works of British 19th century primitive artists.

But the bulk of the sale is devoted to Old Masters and paintings of the 18th and 19th centuries, including works by Manet, Guardi, Caneto and Stubbs. There are almost one thousand items on offer, and a conservative estimate of the value is around the £17m. mark. Although the exhibition is a sale, and timed to catch the great American art galleries on their winter tour of the U.K., there are no price tags on the works of art, which can be enjoyed in their own right. There is already talk of a similar Fair, perhaps in two years time.

ANTONY THORNCROFT

Elizabeth Hall Kirshbaum/Frankl

by MAX LOPPERT

In Debussy's *Cello Sonata* the second sonata from the Op. 102 partnership of Ralph Kirshbaum and Peter Frankl was displayed at its most impressive during Tuesday's recital. Earlier, the American cellist had given plentiful evidence of his special eloquence in slow music — the start and then the *Adagio* of the Beethoven C major Sonata, Op. 102, no. 1, were drawn out with that steady, clear-eyed sensitivity that always makes one believe the cello is taking slowly in its middle register to be the most noble orator of all instruments. But in Debussy Mr. Kirshbaum was now able to suggest to the full, through the same richly sustained and shaded tone, the crisp despair, the sad clowning, and the elegant wry mockery of the composer's last and greatest *scène de chambre*.

The prize will be worth at least £5,000 and will be awarded by a selection committee (now being established) to the author of any book that has significantly contributed to the development of both the spirit and the message contained in Schumacher's work.

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Festival Hall/Radio 3 Yuri Temirkanov

by DOMINIC GILL

From 1969 until this year, Yuri Temirkanov was the music director of the Leningrad Symphony Orchestra. By now he is well-known in America, and has already conducted in Birmingham and Liverpool; but his concert on Tuesday with the Royal Philharmonic Orchestra marked his South Bank debut.

He is an engaging musical personality, and one we shall be pleased soon to hear of in London. He framed his Russian programme with two symphonies: a scrupulous, bright-toned, attentive account of Prokofiev's Classical Symphony (much inflected by a curious, rather endearing line in left-hand finger signals), and a darkly romantic, splendidly full-blown performance of Rakhmaninov's Second, hazy and strong.

Planetarium Laser-rock

by ANTONY THORNCROFT

One day the laser will revolutionise entertainment — if it has not destroyed the world in the meantime. But at the moment it remains a rather recalcitrant novelty, reminiscent of movies from the early 1950s with wooden figures doffing their caps tediously in front of shaky cameras.

The new laser show at the Planetarium endured all the inevitable teething troubles before it got under way on Tuesday. The first laser beam went moody; the water that is required to cool it did its job and flooded the controls. A standby laser was quickly put into operation but the controller, who creates a different show at every performance, was displeased by its effects, at least in the early stages when it failed to produce its full range of colours.

Basically Laser-rock is patterns of light forming shapes in four colours set against rock music. The earlier, successful, show borrowed sounds mainly from

The Entertainment Guide is on Page 28

Finney's Horner, though there is a lot in it to enjoy, seems to fit into this production-line pattern of young men. Can't Wycherley be spoken like Coward? I sometimes found Mr. Finney a little hard to hear; there is an up-bolstered quality to his voice that needs careful use in the far-from-ideal acoustics of this vast auditorium.

The same with the girls. Only



EUROPEAN NEWS

West Germany limits its exports to South Africa

BY JONATHAN CARR

BONN, Nov. 30

THE West German Cabinet today decided to limit provision of Government-backed guarantees for exports to South Africa...

Agreement nearer on Dutch coalition

By Michael van Os

AMSTERDAM, Nov. 30

THE DUTCH Labour Party today failed to stop negotiations between the Christian Democrats and the Right-wing VVD Liberal Party...

Portuguese leader to ask for vote of confidence

BY DIANA SMITH

LISEON, Nov. 30

PRIME MINISTER Mario Soares will ask Parliament to grant or refuse its confidence to his minority Socialist Cabinet...

OECD to avoid quotas on steel

BY ROBERT MAUTHNER

PARIS, Nov. 30

MEMBER COUNTRIES of the 25-nation OECD tonight agreed that they would not deal with the problems of their steel industries...

Bonn backs Iran nuclear order

BY JONATHAN CARR

BONN, Nov. 30

THE WEST GERMAN Government today said it was ready to put up the necessary export guarantees to cover the delivery of four nuclear power stations...

Schmidt meets Andreotti

BY PAUL BETTS

ROME, Nov. 30

THE West German-Italian summit meeting, which was abruptly postponed this summer following the escape from a Rome hotel...

Barre raises wages, pensions but national strike goes ahead

BY DAVID CURRY

PARIS, Nov. 30

ON THE EVE of the one-day national strike called by three unions to protest about the government's austerity...

Clash at EEC nuclear hearings

BY GUY DE JONQUIERES

BRUSSELS, Nov. 30

SHARPLY CONFLICTING views on the future role of nuclear energy, and of the fast breeder reactor, in particular...

Denmark spending to rise by 10%

By Our Own Correspondent

COPENHAGEN, Nov. 30

THE GOVERNMENT borrowing requirement in the year beginning April 1 will rise to a record Kr.332,200m...

Turkish threat denied

WASHINGTON, Nov. 30

THE U.S. State Department today denied a report that Turkey had threatened to expel the 7,000 U.S. troops there...

Fewer aliens in Switzerland

BY JOHN WICKS

ZURICH, Nov. 30

THE Foreign labour force in Switzerland has fallen to its lowest level since before 1965...

U.S. human rights move

BELGRADE, Nov. 30

THE United States is preparing a new proposal on human rights for the Belgrade Conference on European Security...

Advertisement for Banque Bruxelles Lambert, featuring a photograph of a man and text: 'When you have business abroad, your banker has no business staying home.'

Spill in 1978

AMERICAN NEWS

Carter praises Sadat but seeks overall settlement

BY DAVID BELL

WASHINGTON, Nov. 30.

PRESIDENT CARTER to-day praised President Anwar Sadat of Egypt for engineering a "historic breakthrough" in the Middle East...

East," he said that it was right that the U.S. should not constantly have the role of a "dominant intermediary."

As a co-chairman of the conference to be involved in the peacemaking process and he said that in recent months the Soviets have moved to a "more balanced position" about the Middle East.

\$500m. loan sought by Hydro-Quebec

By Robert Gibbons

MONTREAL, Nov. 30. HYDRO-QUEBEC, according to mooney market sources, is negotiating to borrow between \$300-\$500m. in the international market to finance its 1978 construction programme at James Bay.

Major companies to seek oil off Falkland Islands

BY HUGH O'SHAUGHNESSY

MAJOR international oil companies are to carry out seismic exploration for oil in waters around the Falkland Islands, the remote British colony in the south-west Atlantic.

survey of waters as far out as the 100-fathom line on behalf of oil companies of "international standing". It added that been sent in an Argentine warship which was not expected to fly a courtesy flag.

Return to work after East Coast dock strike

NEW YORK, Nov. 30. DOCKWORKERS in East and Gulf coast ports returned to work on Wednesday in response to a call by the International Longshoremen's Association to end a two-month strike that piled up billions of dollars worth of containerised goods.

Trident submarine cost over-run

BY JUREK MARTIN, U.S. EDITOR

WASHINGTON, Nov. 30.

THE COST over-run of the prototype model of the Trident submarine has already reached 50 per cent, according to the U.S. Navy.

with its missile delivery system. The first trident of a planned batch of 13, was due to cost \$800m. and to be completed and ready for sea testing by 1980.

by the requirement that the power plant be big enough to enable it to cruise submerged at 25 knots.

Swedes reject Brazil bid for N-equipment

STOCKHOLM, Nov. 30.

THE SWEDISH Foreign Ministry has refused a request by the State-owned Atomic Energy Company to sell technical training equipment to Brazil, the ministry said today.

Caribbean aid meeting

BY OUR OWN CORRESPONDENT GEORGETOWN, Nov. 30.

THE WORLD Bank will sponsor a two-day meeting in Washington in mid-December to bring together actual and potential aid donors to the Caribbean, and recipients thereof, for a discussion on future assistance.

the U.S., Japan, Holland, France, Canada, Venezuela, Mexico, and Brazil, as well as the EEC.

Narodny warns of dollar crisis next year

THE LONDON-BASED Moscow Narodny Bank says in its latest quarterly review that a "new and more serious dollar crisis may be on the horizon in 1978."

Vance row in Argentina

BY ROBERT LINDLEY

THE new U.S. Ambassador to President Carter by three Argentines, Mr. Raul Castro, who human rights groups—one has been here for only a fortnight.

Union sources said the job security provision—a key point in the strike—called for carriers to set up a fund to protect union members from "shortfalls" in the number of manhours available for work or decreases in tonnage handled.

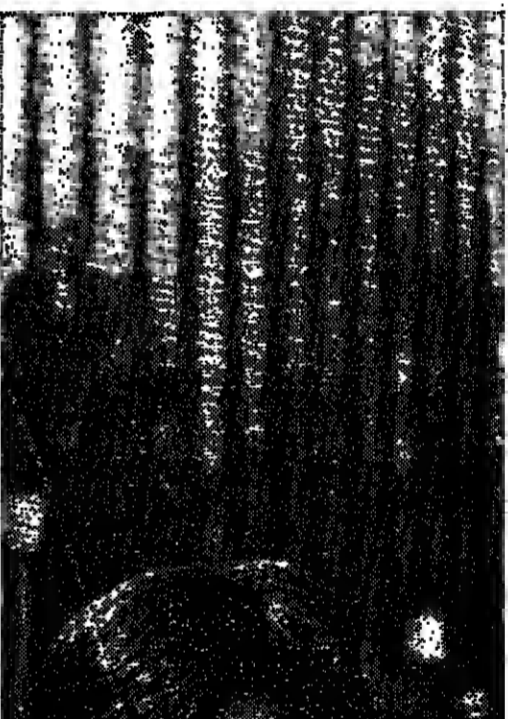
U.S. envoy to Greece

The Carter administration is expected to withdraw its nomination of Mr. William Schaefele as ambassador to Greece, State Department officials said.

Carriers will make donations to the job security programme on a formula basis to protect the dockworkers' guaranteed annual income, pension and severance funds.

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MEXICAN ECONOMY

Oil as the salvation

BY ALAN REDING IN MEXICO CITY

THE MEXICAN Government is under growing pressure to reflate the economy, after scrupulously following the International Monetary Fund's austerity programme for the past year.

least 24 per cent. for their funds, and with demand low and only 60 per cent. of industrial capacity in use, new investment is difficult to justify.

Government expenditure on all and sundry has clearly both increased and justified. A \$17bn. investment programme by the state oil monopoly, Pemex, will raise production to 2.2m. barrels per day and exports to 1.5m. by 1982 and will double refining and triple basic petrochemical capacity by the same date.

Not that an early expansion of the economy through increased government spending will resolve the problems of the poor and unemployed.

The administration believes that the main evil is inflation and that more sacrifice will be needed to defeat the monster.

However, the argument is also made that, to avoid excessive liquidity, an artificially overloaded currency by the early 1980s, Mexico must start thinking now about how its oil wealth is to be spent in other areas.

So Lopez Portillo seems to have a plan. His controversial predecessor, President Luis Echeverria, tried to promote greater social justice and economic equality through deficit spending and foreign borrowing, but this only fuelled inflation, hurt the poor, and led to a greater concentration of income than before.

The economic turnaround has been remarkable. And all this without considering the country's new oil reserves, which have been rising by leaps and bounds and are now being compared with those in Iraq.

But these investments in long-term capital-intensive projects will do little more for the recession than to create a few thousand construction jobs. The financing for these projects should be available.

OVERSEAS NEWS

'Rejectionists' soften Egypt line

BY IHSAN HIJAZI

BEIRUT, Nov. 30

THE ARAB STATES opposed to President Sadat's Middle East policy have shown signs of desire not to let their campaign against Egypt from the rest of the Arab world.

The Middle East dispute held in New York following the talks in Cairo. The Foreign Ministry spokesman said today that "Israel rejectionists" have softened their line.

WORLD TRADE NEWS

E. Germany to import VW Golf

By Leslie Collier

BERLIN, Nov. 30

EAST GERMANY is to import 10,000 VW Golf cars next year under an agreement signed between the Volkswagenwerk and East Germany's Transport Ministry.

EEC close to agreement in bilateral textile talks

BY DAVID BUCHAN

BRUSSELS, Nov. 30

THE EEC appeared on night to be close to agreement with the two largest textile suppliers, Hong Kong and India, with only a few hours to go to the midnight deadline.

Gandhi backers form local groups as party disintegrates

BY K. K. SHARMA

NEW DELHI, Nov. 30

THE AGREEMENT between Mrs. Gandhi and her rivals in the Congress Party to maintain unity has broken down and the once powerful National Organisation now faces disintegration.



A Vietnamese mother pleading with Thai police while they were turning back the small fishing craft she was sharing with 48 others seeking entry into Thailand.

New Hawker Airbus deal

HAWKER Siddeley Aviation, a member of British Aerospace group, has received orders worth \$200m for the European A-300 Airbus.

U.S. expects concessions in Japanese package

BY DAVID BELL

WASHINGTON, Nov. 30

THE U.S. is expecting the Japanese Cabinet to announce "substantial concessions" when it unveils its new package of economic and trade measures.

Exports 'still competitive'

By Lorne Barling

EXCHANGE rate movements have apparently had surprisingly little effect on the competitiveness of British export prices.

Weaker yen welcomed on Tokyo exchange market

BY CHARLES SMITH, FAR EAST EDITOR

TOKYO, Nov. 30

THE JAPANESE YEN displayed surprising but exceedingly welcome weakness on today's Tokyo foreign exchange market, falling 2.5 points against the U.S. dollar to close at a rate of 244.20 Yen to the dollar.

Iranian Cabinet reshuffle

BY DAVID HOUSEGO

TEHRAN, Nov. 30

DR. JAMSHID AMOUEZGAR has taken direct control of the management of the Iranian economy yesterday in the first major cabinet reshuffle since he became Prime Minister in August.

U.S. banks in first Polish dollar loan

THE EXPORT Credits Guarantee department has guaranteed the repayment and funding for a \$15.8m loan which the Bank of America, acting on behalf of itself and a syndicate of American banks, has made available to Bank Handlowy w Warszawie of Poland.

Move to hold down pulp price

BY WILLIAM DULLFORCE

STOCKHOLM, Nov. 30

SWEDISH chemical pulp manufacturers aim at maintaining their new, lower price level through the first quarter of 1979.

Thailand's military ruler admits grim future

BY RICHARD NATIONS IN BANGKOK

BANGKOK, Nov. 30

FEW PRIME MINISTERS could have taken power with as grim a prediction about the future as General Kriangsak has done.

Coconut oil plant

A \$2m. complex for the production of coconut oil is to be built in the Philippines under a contract won by Sims Rosedowns of Hull.

Norway may block ship order

BY FAY GJESTER

OSLO, Nov. 30

NORWAY'S Government may refuse to grant import licences for eight ships ordered recently by Norwegian owners from Swedish yards under the Swedish Government's generous shipbuilding subsidy scheme.

Muzorewa warns Smith

BY TONY HAWKINS

SALISBURY, Nov. 30

IN a letter to Mr. Smith released to the Press today, Bishop Muzorewa, who is the key to the "internal settlement" negotiations, said he had demanded "an urgent response from the Rhodesian Prime Minister."

Soviet gas pipeline offers big market for plant suppliers

BY RHYS DAVID, NORTHERN CORRESPONDENT

LONDON, Nov. 30

THE FIRST of 42 gas turbine modules which will be located in groups of seven at six separate stations along a 960k. m. gas pipeline from the Tyumen area in Siberia to the city of Chelyabinsk.



Handwritten signature or scribble at the bottom of the page.

BBC seeks substantial licence fee increase

BY DAVID CHURCHILL

THE BBC is shortly to begin negotiations with the Home Office on its claim for a substantial increase in the licence fee from next summer.

The size of the increase being sought has not been decided but the BBC deficit of £3.5m, despite an operating profit of £2.9m, in the last financial year, is expected to climb sharply over the coming year as costs continue to rise. A deficit of between £15m and £17m, by next July was forecast by the BBC yesterday.

Sir Michael Swann, BBC chairman, yesterday made clear the BBC's unease with the Government's refusal to guarantee the long-term financial viability of the BBC. He said that if the Government repeated last year's decision to increase licence fees for a period covering only a year, then this would create a "situation dangerously akin to an annual grant-in-aid."

The BBC fears, and this has been supported by various Government committees, said Sir Michael, that annual financ-

ing would "undermine the BBC's vital constitutional independence." "I hope that neither this Government, nor any future Government, will risk that damage," added Sir Michael.

Sir Michael, who was announcing the BBC's latest annual report, and accounts which is included in the new BBC Handbook, also warned that if the Government kept down the licence fee this would damage the quality of programmes.

The BBC would prefer a return to the previous financing system whereby the licence fee was set at a high enough level to last for several years. The surplus in the first few years would be offset by losses in the latter period covered by the licence.

Despite the BBC's warnings yesterday over future finances, their case for an increase was not helped by a better than expected financial performance in the last financial year. The total income of BBC Government committees in 1976-77 was £232,872m, and total expenditure

Barclays lending £5m. to Argos

By Elinor Goodman, Consumer Affairs Correspondent

ARGOS, the sister company to Green Shield, is to borrow £5m. from Barclays Bank to finance its development programme.

Like Green Shield, Argos is owned by Mr. Richard Tompkins, and until now the group has been largely self-financing. Argos was started in 1973 as a new type of discount retailing chain. Shoppers select merchandise from a catalogue and go into the stores only when they have decided what they want. To-day there are 65 Argos branches, and the chain had a turnover of £50m. in the 12 months to the beginning of November, against £26.4m. in 1975-76.

It is planned to increase the number of shops to 100 by 1980. This would more than double the £4m. invested by the company, most of it from Green Shield or re-investing Argos profits.

Mr. Joe Phillips, joint managing director of Argos, said yesterday that the management had decided that it made sense at the moment to go outside for money.

Argos, which is run separately from Green Shield, made an estimated profit of £750,000 in the year just ended against £55,000 the previous year.

Mr. Phillips said yesterday that Barclays' willingness to lend the company £5m. showed the bank had confidence in the future of Argos.

More rail may be electrified

BY DAVID FREUD, INDUSTRIAL STAFF

THE GOVERNMENT intends to review with British Rail the case for further main line electrification.

A White Paper responding to a Commons Select Committee report on British Rail last May supports the report's pro-rail recommendations. It agrees with the committee that no large cuts should be made on the railway system.

The Government is now prepared to look at electrification in terms of future energy prospects rather than on a financial basis.

British Rail welcomed the change of approach yesterday and said it firmly believed that "investment in railway electrification should receive high priority in the current national debate about the future use of oil revenues." The change could mean an early go-ahead for four schemes to which British Rail attaches high priority.

These are the electrification of the Thames valley suburban lines between Paddington and Oxford, the remaining non-electrified Southern Region routes, the heavy freight route between the Midlands and South Wales, and the continuation to Sheffield of the London-Bedford route now being converted to electricity.

The role of British Rail in public transport. The Government's response to the first report from the Select Committee on Nationalised Industries: Session 1976-77, Command 7038, HMSO, 72p.

John Brennan, property correspondent writes: Mr. Peter Parker, chairman of British Rail, acrylonitrile, a propylene derivative used in the manufacture of synthetic fibres and block plants for development of rubber.

Insurance brokers criticised

By Our Consumer Affairs Correspondent

INSURANCE BROKERS were sharply criticised yesterday by the Consumers' Association. The only way to be sure of getting the best advice, the association said, was for consumers to shop around different brokers and contact insurance companies direct as well.

In a survey published in this month's edition of Which? coinciding with the setting up of the Insurance Brokers' Registration Council, the magazine concluded that brokers "put up a fairly dismal show."

The survey showed life insurance brokers in a particularly bad light. In general the magazine concluded that they failed to ask enough questions to get an accurate picture of the family's insurance needs and advised clients to spend more money than necessary.

Motor insurance brokers fared better in the survey. But the association still concluded that a car owner would have to visit a number of brokers to be reasonably sure of being recommended a fairly cheap company.

Mr. Francis Perkins, chairman of the British Insurance Brokers Association, commented that it was precisely because consumers need more information and clarification on insurance broking that could be provided by an article of the type given in Which? that the industry, with the support of the Government, had set up a registration system.

The best protection for consumers would be to look for members of the BIBA, who have to be registered, for sound business practice and advice. The BIBA has already started on the task of raising standards still further.

Long John lifts whisky output

BY KENNETH GOODING

LONG JOHN International has completed the £5m. expansion of its Strathclyde grain whisky distillery. The project, which has increased the capacity of the distillery from 5jm. to 10m. gallons a year, making it one of Scotland's largest.

Mr. Ian Coombs, managing director, said yesterday that there was some evidence that there would be a shortage of capacity in the Scotch whisky industry in the 1980s.

He pointed out that there was a consensus among distillers that world-wide sales of Scotch would grow at about 5 per cent. a year against the historic rate of 3 per cent. to 10 per cent.

This would indicate that by 1985 the market would take

195m. gallons of Scotch. Because of the maturation period, the whisky sold in that year would have to be in stock by 1980.

However, stocks last year were 140m. gallons and a 5 per cent. addition a year to 1980 would leave them at only 170m. gallons.

Mr. Coombs said that these were only rough calculations, but he joins a growing number of Scotch whisky people who have been dropping hints about possible shortages in the 1980s.

However, the Distillers Company, which accounts for roughly half of all Scotch produced, has steadfastly maintained there will be no shortages.

Mr. Coombs said yesterday that, in any case, after the expansion, completed in 1975, of Long John's two malt whisky distilleries, the group did not need any extra capacity for many years to come.

Long John recently became a subsidiary of the Whitebread brewing group.

This year its sales were up by about 15 per cent.

Colonel spent large sums, says woman

FINANCIAL TIMES REPORTER

EVIDENCE was given by Mrs. Geraldine Revill, of Wimborne, Dorset, in the Iranian arms deal trial at the Old Bailey yesterday that Lt. Col. David Randel, a former Defence Ministry signals adviser, had spent large sums entertaining her for several months in 1975.

She said that she had met him while working as a part-time barmaid at the Wimborne Conservative Club. He took her out in London and the West Country and later told her that several thousand pounds of his money had come from Iran through a Tehran business associate.

Lt. Col. Randel, aged 41, of Aldershot, denies corruptly receiving nearly £25,000 from two former Rascal executives for helping the company to win a £4m. defence contract from the Iranian forces in 1972. The two former executives, Mr. Geoffrey Welburn, aged 41, and Mr. Frank Nurdin, aged 61, deny

giving him the money corruptly.

Mrs. Revill told the court that Lt. Col. Randel had spent many hundreds of pounds on her and had planned to buy a house at Wimborne for her to live in.

Once he told her that he had saved money from his entertainment expenses in Iran because the British Embassy had looked after the people involved there, and he had bought land there with the money he had saved.

He proposed marriage to her, but she did not accept him. The relationship ended at Christmas 1975.

Earlier yesterday, Mr. Douglas Morrell, a director of Rascal Electronics, gave evidence of signing various cheques from the company for Sir Shapur Reportor, an Iranian business consultant, for commission fees from the company, ranging from £20,000 in 1973 to £17,000 in 1975.

The hearing, which will last for at least another month, was adjourned until to-day.

Judge defers decision on bankers' £1½m. claim

FINANCIAL TIMES REPORTER

A HIGH COURT judge yesterday reserved his decision in a £1½m. lawsuit brought by London merchant Keyser Ullman against former property developer William Stern.

The bankers' claim, arising out of a personal guarantee given by Mr. Stern in 1973 in respect of cash owing by one of his companies, Blagnum Hotel (Manchester), coded after a three-day hearing.

Mr. Stern, whose property empire collapsed with the 1974 decline of the property market, disputed the claim on the basis that it was not enforceable against him.

The American-born businessman, of Albert Court, Prince Consort Road, South Kensington,

contends that he is not liable to the debt because of the scheme of arrangement between the Stern Group and its creditors, approved by a Chancery judge in 1975.

The scheme proposed a three-year moratorium on the enforcement of debts, during which time the affairs of the scheme companies would be administered by Sir Kenneth Cork under the supervision of a committee of creditors.

Mr. Stern's counsel, Mr. Meuir Hunter, QC, told Mr. Justice Talbot yesterday that the scheme "over-reached" the guaranteed. He urged the judge to hold that, so long as the scheme remained in force, there was no sum owing by Mr. Stern.

Rate of profit rise declined last month

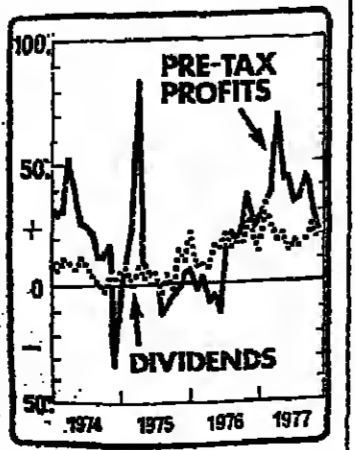
FINANCIAL TIMES REPORTER

THERE WAS a further decline in the rate of profit increase in the 130 full reports and accounts of industrial companies received during November compared with the levels a year ago.

The increase at the pre-tax stage amounted to 21.4 per cent. This compares with the near-40 per cent. rise recorded in reports received in October, and with increases of 34.8 per cent., 43.7 per cent. and 36.3 per cent. in the first three quarters of the year respectively.

Larger companies reporting above-average profit gains included Lucas Industries and Smiths Industries, up 38 per cent. and 27 per cent. respectively. Glaxo up 19 per cent. and Great Universal Stores up 14 per cent.

Dividend costs in the October reports and accounts averaged 19 per cent. more than the year



CONGRATULATIONS VAUXHALL MOTORS!

Vauxhall Motors of Ellesmere Port have made enormous strides in fuel conservation. As major industrial consumers of gas, they have significantly improved the efficiency of their gas-using plant and achieved dramatic fuel savings.

This year, on their heat treatment furnaces alone they have reduced fuel consumption by 56%—from 115,000 to 50,500 therms per year, and greatly reduced maintenance and replacement costs by changing to a new type of burner. When present work has been completed there will be a total saving throughout the plant of 600,000 therms annually.

These savings are the outcome of close co-operation between Vauxhall and the North West Gas Technical Consultancy Service. And it's made them this year's Gas Energy Management Award winners.

The G.E.M. Award is made every year by British Gas to the company and Regional Technical Consultancy team who, working together, show the most successful increase in gas-using efficiency. There were seventeen other finalists this year, and all won substantial prizes of higher plant efficiency and fuel saving.

If you're interested in running your plant more efficiently, or are looking for expert advice about installing new plant, or changing fuels, call the Technical Consultancy Service of your Gas Region or send in the coupon below. A preliminary chat is quite free. It could save you a lot of money.

And—who knows!—win you the G.E.M. Award next year.

To: British Gas Dept. 369, 326 High Holborn, London WC1V 7PT.

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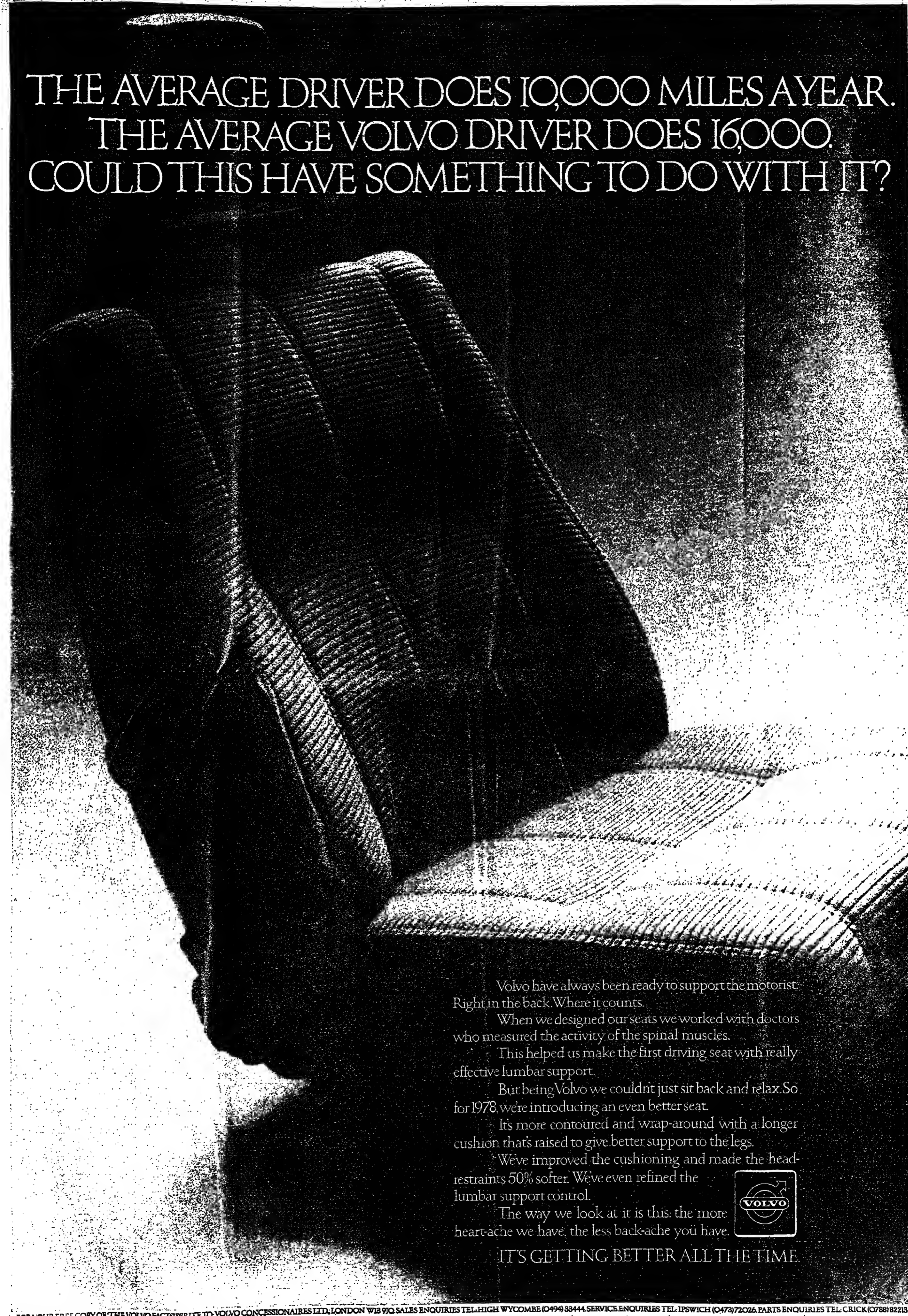
BUILDING SOCIETY RATES

Every Saturday the Financial Times publishes a table giving details of BUILDING SOCIETY RATES on offer to the public.

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Your problems may be anywhere between cashflow at home and documentary letters of credit from buyers overseas.

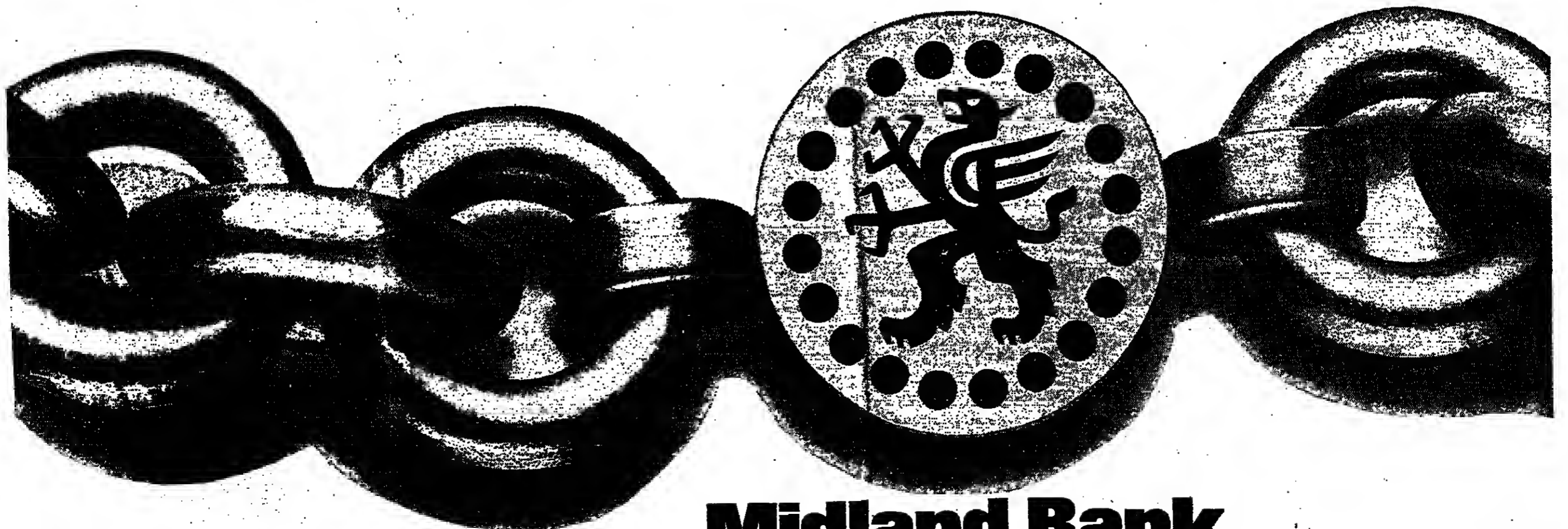
You'll find your local Midland manager can call on a team whose answers may include factoring to speed up your cashflow; leasing to accelerate expansion plans;

export finance to bridge the gap between manufacturing and getting paid; even vetting local agents in your principal foreign markets and insuring your products till they get there.

Your local Midland manager can help you answer all these business questions, and more. He gains additional strength from Midland Bank Group, a powerful team of companies specialising in businesslike solutions for industry.

And they're all as accessible to your business team as a call to your local Midland Bank.

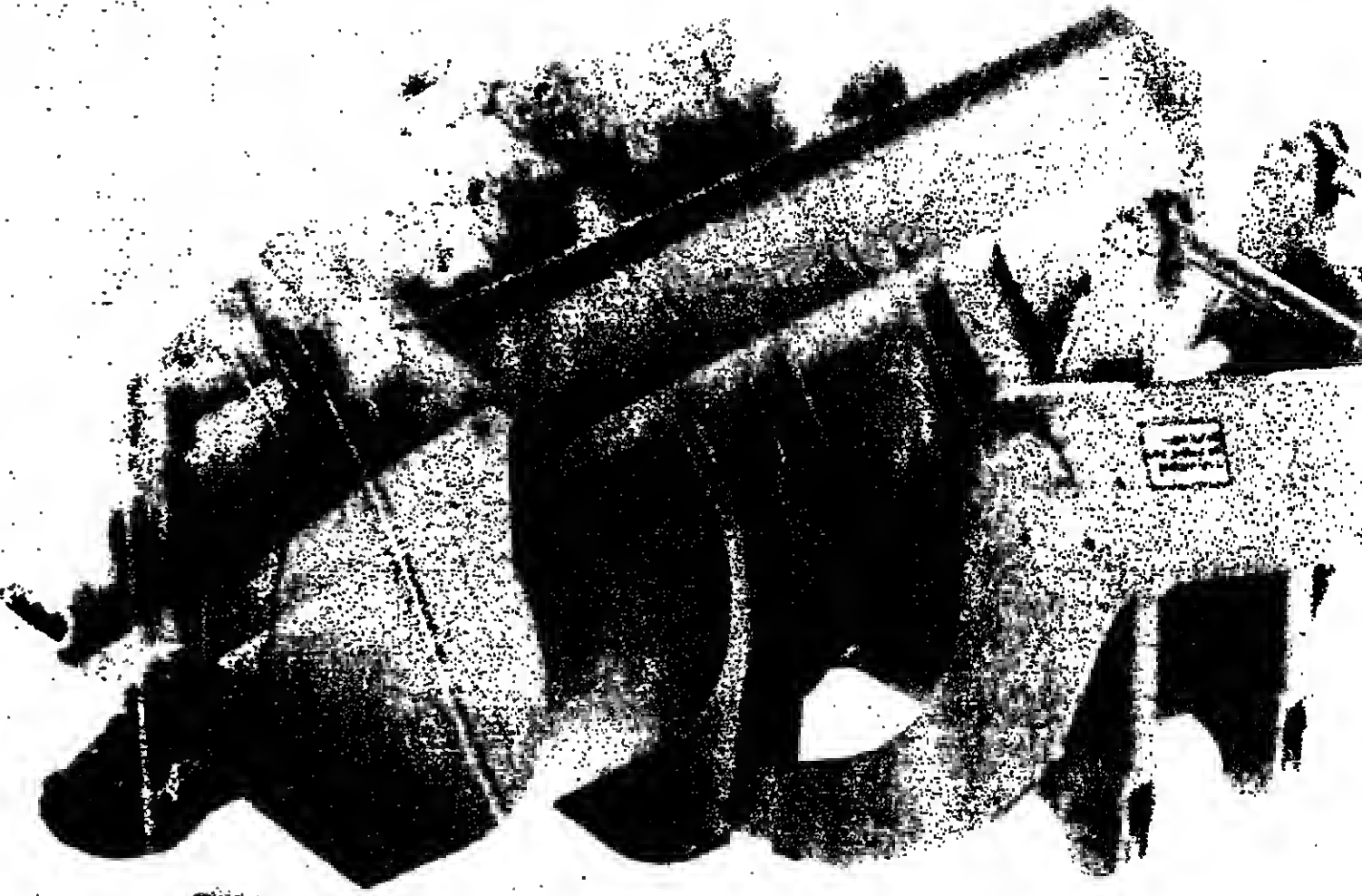
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In ten years we have grown into a world leader in a very tough field.

With sales and service in 190 countries.

We call that business success.

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FINANCIAL TIMES SURVEY

Thursday, December 1 1977

Nordic Banking and Finance

The banking systems and financial markets of the five Nordic countries are strongly influenced by one common factor — large national balance of payments deficits. A major effect of substantial foreign borrowing has been to increase interest rates at home, although domestic banks have managed to expand their international operations considerably.

ADVERTISEMENT

For Business and Finance with the Nordic Countries consult the Cooperative Bankers.



Wood processing prototype in Sweden scheduled to go into production with financial guidance from Föreningsbankernas Bank.

International trade has always been a vital factor in the economic development of the nordic countries. The many items they sell abroad range from furs to high quality cars, from heavy engineering equipment to dairy products.

In this vibrant atmosphere of worldwide trade, in both directions, the nordic banking community has acquired considerable experience in

import/export financing, documentary activities and foreign exchange dealing. And banks that operate close to commerce, industry and agriculture are Andelsbanken A/S Danebank, Föreningsbankernas Bank and Osuuspankki Keskuspankki Oy. They are strong and active financial organisations ideally equipped to guide you in your business dealings in or with the nordic countries.

Föreningsbankernas Bank - your cooperative banking partner in Sweden.

As in most other European countries, Sweden's cooperative banking movement had its roots in the agricultural sector, but today it extends into all areas of industry and commerce.

742 banking offices and branches with 294,075 members make up Sweden's cooperative banking organisation. Föreningsbankernas Bank serves as central clearing and commercial institution for the group.

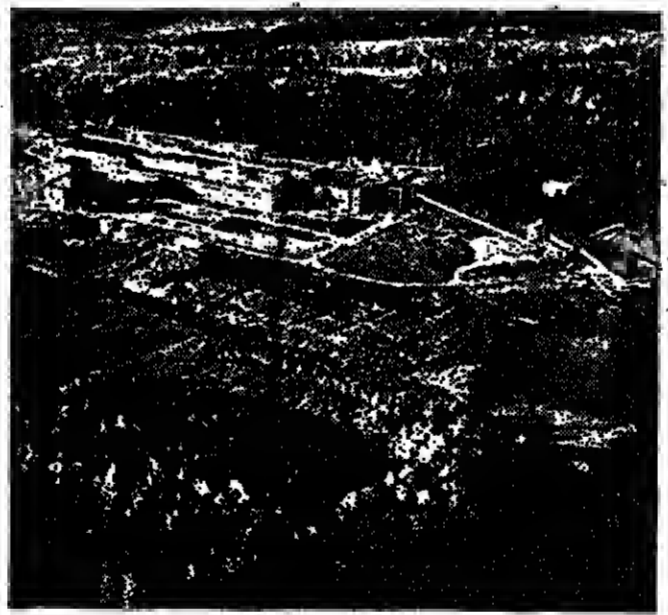
The Bank manages the organisation's liquid reserves

and handles the foreign business of all member banks. Its broad office network provides foreign clients with direct access to the whole country, and Föreningsbankernas Bank can actively help guide customers who seek

trading partners in Sweden. The Swedish cooperative banking organisation is structured in three tiers: Föreningsbankernas Bank, 12 regional banks and a total of 742 service outlets.

Föreningsbankernas Bank (Group)
Financial Highlights as at October 31st, 1977

Balance Sheet Total	Sk. 14,432,428,000.00
Total Deposits	Sk. 12,726,241,000.00
Total Loans Outstanding	Sk. 19,401,244,000.00



Forestry plant in Finland with financing mainly from OKOBANK.

In Finland talk to OKOBANK - the country's third largest commercial bank.

Of a total population of 4.7 million well over one million are clients of Finland's cooperative banks. A strong financial partner for your business with this country.

Thanks to its traditional export financing activities involving currency dealing and documentary services, OKOBANK has developed into one

of the country's foremost international banks, providing all the services one has come to expect from a leading financial institute.

OKOBANK, which stands for Osuuspankki Keskuspankki Oy, is the central bank of the cooperative banks organisation covering the whole of Finland. There are 378 member banks with 816 branches and in all there are 1,193 cooperative banking offices throughout the country.

OKOBANK Osuuspankki Keskuspankki Oy - Financial Highlights:

Balance Sheet Total at June 30th, 1977	
OKOBANK	Fmk. 4,014 million
Cooperative banks	Fmk. 12,528 million
Total Deposits at October 31st, 1977	
OKOBANK	Fmk. 1,926 million
Cooperative banks	Fmk. 10,160 million
Total Loans Outstanding at October 31st, 1977	
OKOBANK	Fmk. 2,905 million
Cooperative banks	Fmk. 16,117 million

More than a fifth of all public deposits are put in cooperative banks, the equivalent of 10,160 million Fmk. At the same time total loans outstanding reached 16,117 million Fmk.

OKOBANK has handled foreign currency transactions for well over 25 years, and its international business together with its advisory services to foreign customers continues to expand at a rapid pace. Today OKOBANK is the third largest commercial bank in Finland and its corporate clients include business enterprises from all levels and sectors of the Finnish economy.

OKOBANK regularly participates in big project financings. It acted as co-manager in the Metsä-Botnia financing operation, one of the largest investments in the private sector in Finland in recent years.

OKOBANK plays a major role in financing forestry products which are in demand all over the globe and it is also the main financier of the Finnish dairy industry. Investment activity in this economically vital sector continues to expand. Finland is a world-renowned exporter of cheese, butter and powdered milk.

OKOBANK also finances the fur trade on a broad scale. It handles the financial requirements, both domestically and internationally, for some of the world's largest fur exporters.



Fur auction in Copenhagen, one of the biggest in the world visited by more than 1,000 buyers.

Balance Sheet Total	Dkr. 10,292,489,510.19
Capital plus Reserves	Dkr. 682,414,222.05
Total Deposits	Dkr. 7,133,157,172.17
Total Loans Outstanding	Dkr. 4,695,821,677.51

Andelsbanken A/S Danebank - Financial Highlights as at October 31st, 1977

customers' international payments and in the finance - via the Eurocurrency markets - of their exports, imports and investments.

Andelsbanken A/S Danebank also finances the production and export of furs. With demand on the rise, the export of mink skins is playing an increasingly important role. Fur breeders from the nordic countries have organised one of the world's biggest fur auctions held in Copenhagen. More than 2 thousand buyers from around the world visit this auction every year.

With more than 80,000 shareholders, the Bank has a strong and broad base. At the same time close on 280 service centres throughout the country provide comprehensive commercial banking facilities.

Many of Denmark's major exporters are closely linked to Andelsbanken A/S Danebank. The Bank's activities have rapidly expanded in response to the growing diversification of its clientele. The Bank provides a complete range of domestic and international services to both private and corporate customers. It offers attractive deposit and savings schemes, finance building and construction, deals in bonds and shares, provides funds for working capital and raises medium and long-term funds in domestic and international capital markets.

As a result of many years of worldwide activities, Andelsbanken is well known in international financial circles. It is active in the foreign exchange market, currency deposits, as well as in Eurobonds. In addition, the Bank is heavily involved in the settlement of its

For your direct link to the Nordic Countries write or call

in Denmark:
Andelsbanken A/S Danebank
International Division
57, Vester Farimagsgade, P. O. Box 360
DK-1504 Copenhagen V
Telephone: 45 14 3352
Telex: 27086 daneb dk

in Sweden:
Föreningsbankernas Bank
Foreign Department
Grev Tunstamsgatan 30, Box
S-10240 Stockholm
Telephone: 08-22 43 20
Telex: 10 627 faba s

in Finland:
OKOBANK
Osuuspankki Keskuspankki Oy
Pöytäkatu 23, Pt. 308
SF-00101 Helsinki 10
Telephone: 1641
Telex: 12270 general
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The shareholders of London & Continental Bankers Ltd. are primarily the central institutions of the cooperative banking systems in continental Europe. Each offers a full range of banking services, and London & Continental Bankers Ltd. can act as your direct link to these powerful banks.

In the nordic countries the shareholders are Andelsbanken A/S Danebank in Denmark, Föreningsbankernas Bank in Sweden and OKOBANK in Finland.

If your business interests are focused on any of these nordic countries, consult London & Continental Bankers Ltd. or the shareholders operating in these markets. You may well find that the dual meaning of "cooperative bankers" is more than fulfilled by the excellence of its services.

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Self-insights

NORDIC BANKING AND FINANCE III

Pension funds take their share

SWEDEN'S Allmänna Pensionsfonden (AP) was founded in 1960. It was seen as a way of increasing savings and maintaining investment but was also the object of considerable political dispute.

None of the latter have reached the dimensions of the Swedish AP Fund but they have all become important purveyors of investment funds.

Payments

Inflation and changes in the level of pension payments have started to create problems during the last few years.

The AP Fund currently has just under 30 per cent. of the credit market and 40 per cent. of the capital market.

Boards, one receiving contributions from the Government, local authorities and public corporations, one from employers with 20 people or more on their charge sheets and one from employers with less than 20 employees.

The funds available for investment represent the difference between the income from contributions and interest and the expenditure on supplementary pensions and administrative costs.

Moreover, in 1976 the first time income from interest did not cover the Fund's pension payments. The chief reason was the higher inflation rate, reflected in pension levels, but the lowering of the retirement age in 1976 from 67 to 65 years also played a role.

bonds—an obligation which is also laid on the banks and insurance companies—but otherwise the boards determine their own policies.

The recent trend has been decidedly to favour industry at the expense of housing, although investment in government bonds has shot up in the last two years, as the budget deficit has soared.

Systems

Finland and Denmark have somewhat different systems in that the supplementary pension funds were formed by agreement between the employers and unions, and are run by them.

system. Employers can pay up to 80 per cent. of their premiums in the form of loan certificates carrying an 8 per cent. coupon and with repayments at an 8 per cent. annual rate.

In contrast the Swedish AP Fund has found that its refinancing facility has not been exploited much by employers. They have the possibility of taking up in any one year bank loans equivalent to half their premium payments in the previous year.

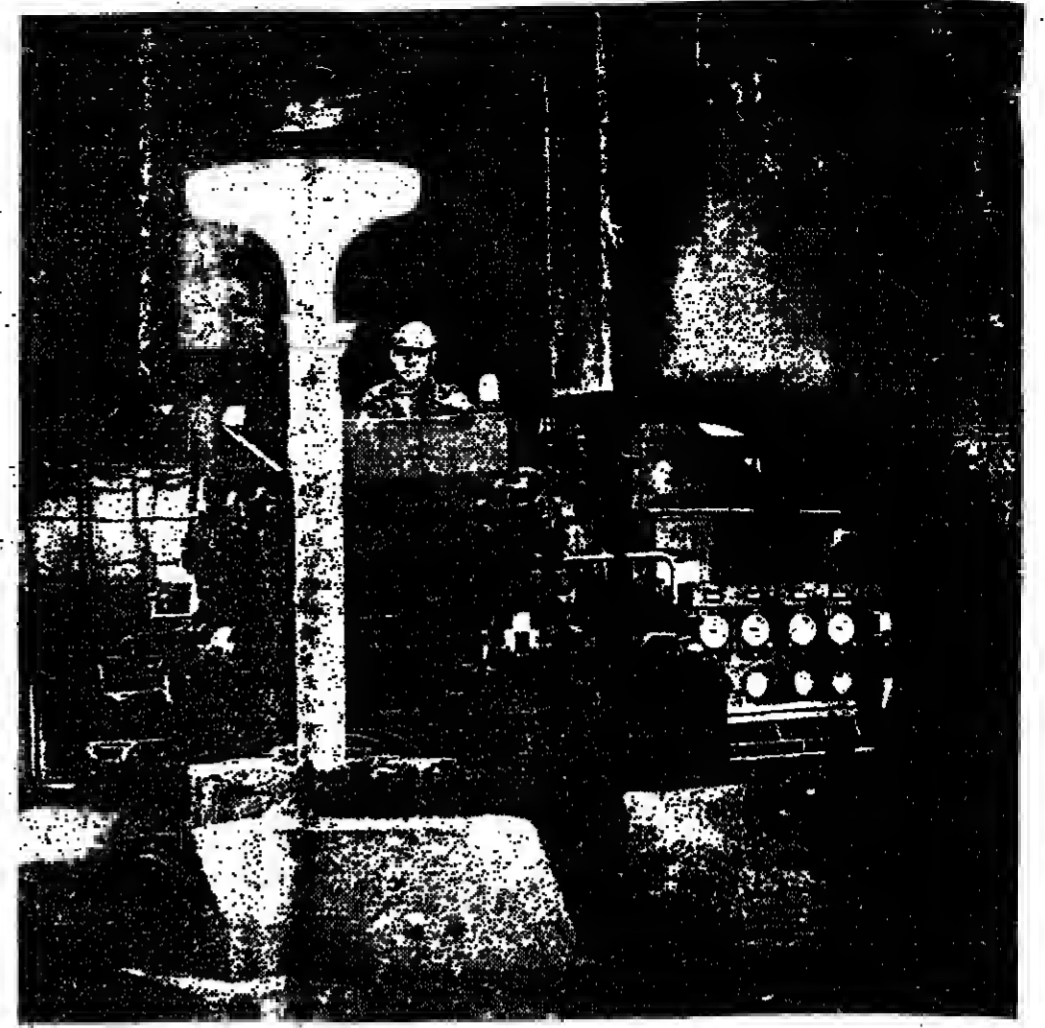
In 1976 the ATP invested just under Kr.1.2bn. (\$169m.) on the bond market and the social pensions fund just over Kr.3bn., making up some 15 per cent. of total new investment.

employers, unions and Government.

The Fund re-invests its own income and repayments, although legally it could be called on to meet any deficit on the national insurance scheme.

Investments are made by five regional boards and go to the bearer bond market, of which the Fund took up just under 23 per cent. of total new issues.

W.D.



Although Sweden relies on foreign loans, its industrial export performance is good. Above, a marine diesel exhaust valve is being forged at the Stora Kopparberg steelworks, Vikmanshyttan.

Swedish banks rely on foreign business

THE SWEDISH BANKS have not been operating this year under the unusual combination of a recession and officially enforced credit restrictions.

Another feature on the domestic banking scene is the swift darting in the budget deficit, expected to reach Kr.30-35bn. (\$6.25-7.25bn.) in 1978.

Expansion

The banks' expansion of foreign business may also be seen as defensive in that, if they did not increase their operations on the international markets, foreign banks would certainly step in to meet the needs of Swedish companies.

access to international markets, an incomes policy which the present non-Socialist government may not be capable of implementing or a realignment of exchange rates.

On the domestic market this year banking developments have contradicted the textbooks which state that every credit creates a corresponding deposit.

Lending

Lending, on the other hand, should grow by close to 12 per cent. despite the official credit curbs, as the companies have been utilising their overdraft facilities more extensively.

ably higher than the long rate. This development has squeezed the banks' placement margins. It has intensified the battle for the so-called "special deposits" and at least temporarily interrupted the realisation of the capital market, which started in 1975, when the link between the short-term and long-term interest rates was re-emphasised and the long rate was increased.

The "special deposits" where interest rates are nominally free are designed to attract companies short-term money. Competition for this "grey market" has been, particularly severe this year, as the banks have fought to increase their liquidity ratios and to avoid the penalty interest rates on their borrowings from the Riksbank (Central Bank).

Also in the market for these deposits are the finance companies several of which are bank subsidiaries and which are not under Riksbank control. A Bill to bring them within the Riksbank orbit is in the pipeline. The overall effect of the competition for "special deposits" however, has been to force up deposit rates and to squeeze further the banks' margins. They have good reason to be thankful for the acceleration in their foreign business.

W.D.



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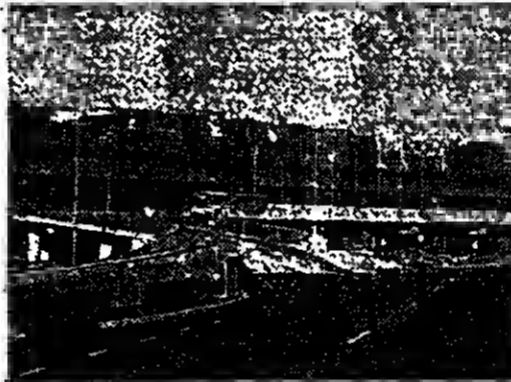
The Swedish Cellulose Company's distribution centre at Sundsvall. Timber and its derivatives are a major source of Swedish export revenue.

Spif insita

Our local business is often international business



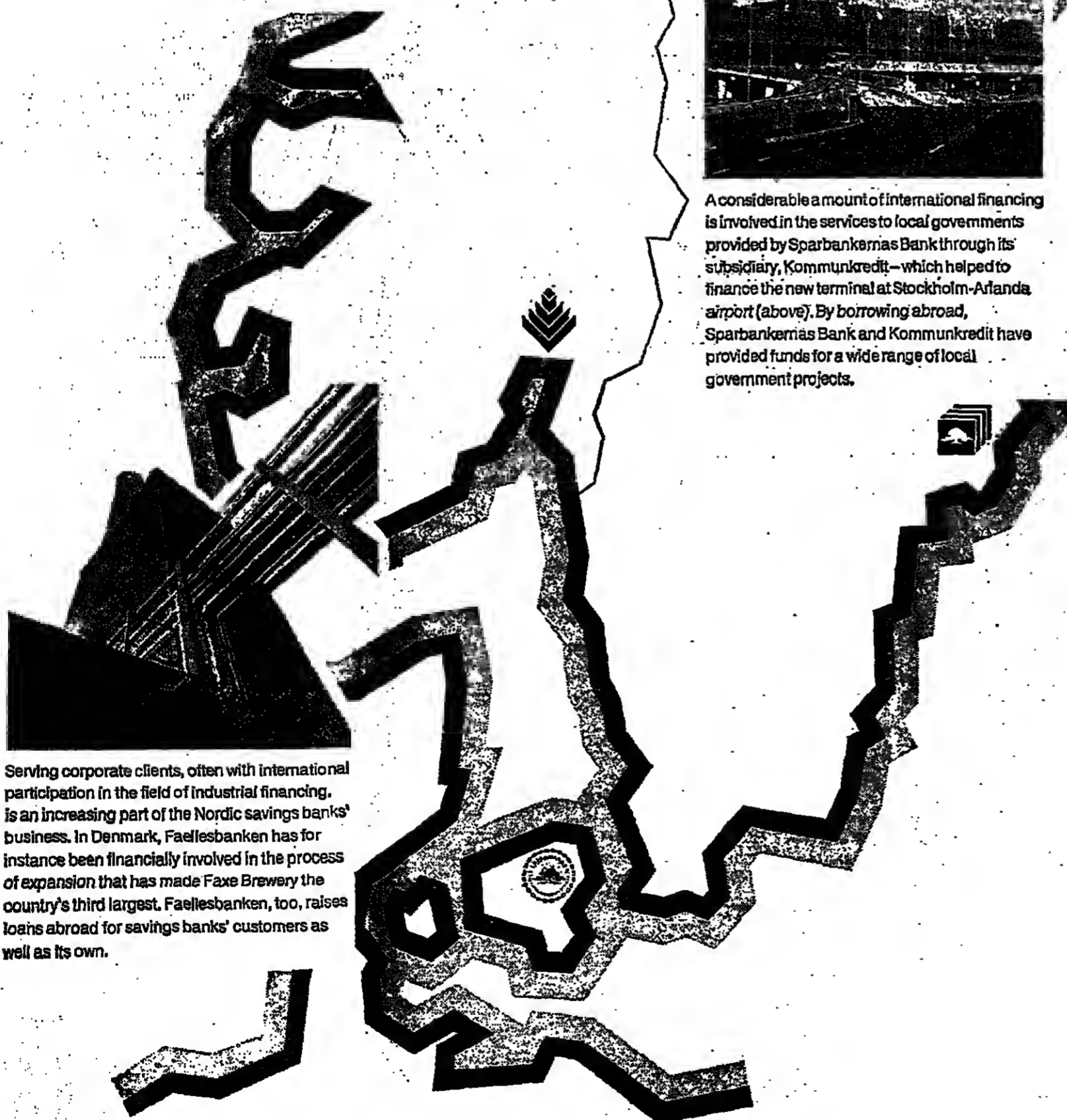
Financing of North Sea oil developments calls for vast amounts of capital. As member of the Norwegian Banking Group for Petroleum Financing, the Union Bank of Norway Ltd has participated in the financing of all major projects on the Norwegian continental shelf.



A considerable amount of international financing is involved in the services to local governments provided by Sparbankernas Bank through its subsidiary, Kommun Kredit—which helped to finance the new terminal at Stockholm-Arlanda airport (above). By borrowing abroad, Sparbankernas Bank and Kommun Kredit have provided funds for a wide range of local government projects.



In Finland, the financing of housing by the savings banks extends to the industry itself, and among Skopbank's clients is Makrotalo, manufacturer of prefabricated housing. The build-up of this company's exports has been aided by foreign-trade experts of the bank, which has also provided credits and guarantees enabling buyers to use local capital resources.



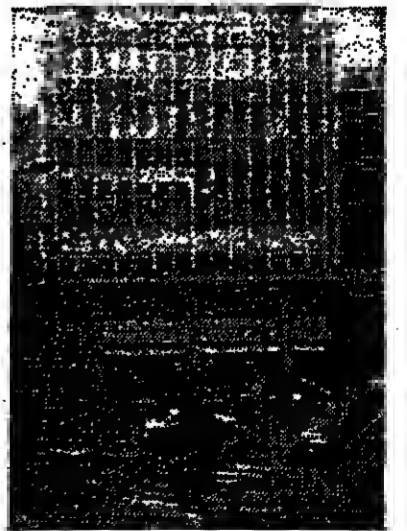
Serving corporate clients, often with international participation in the field of industrial financing, is an increasing part of the Nordic savings banks' business. In Denmark, Fællesbanken has for instance been financially involved in the process of expansion that has made Faxe Brewery the country's third largest. Fællesbanken, too, raises loans abroad for savings banks' customers as well as its own.

It goes almost without saying that there is plenty of local business within the savings banks systems of Scandinavia and Finland. Some 5,500 bank offices spread throughout the area ensure that. Attracting between a quarter and two-fifths of the deposits in each country, the savings banks wield considerable resources. Traditionally providers of mortgage loans for housing, they are increasingly occupying the field of corporate and municipal finance as well. This often involves international operations, for which the local banks in each country can call on the services of a strong central bank. Through their securities and foreign departments, these full-service commercial banks provide, together with the affiliated Banque Nordeurope, Luxembourg, the links with international capital and money markets that industry and local governments today require. Here are opportunities for business that are worth considering.

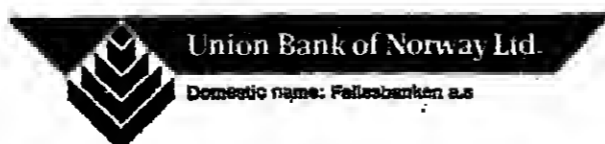
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NORDIC BANKING AND FINANCE V

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Norwegians try to curb credit

THE VICTORY of the Labour Government in the September parliamentary elections in Norway has made it certain that Labour's legislation to make the country's banks more "democratic" will be put into effect next year, despite continued strong criticism of the change from the non-socialist opposition.

The new laws, passed by the previous Storting (Parliament) last summer, will change the organisational structure of the banks and alter the balance of power in their governing bodies. In the case of the commercial banks, majority control will pass into the hands of public appointees, who will hold eight fifteenths of the seats on the banks' representative councils. In the governing bodies of the savings banks, public appointees will have equal representation with depositors. The banks' employees will also be represented, while shareholders (depositors in the mutual savings banks) will have only a minority say.

In a White Paper last month the Ministry of Finance laid down guidelines for the Storting—at the request of the Storting's Finance Committee—about the appointment of the "public watchdogs" who will sit on the representative councils of Norway's 27 commercial banks. It suggests that the Storting itself should appoint these members in the case of the 11 banks whose interests span several counties, or the whole country. For the 16 banks whose interests are concentrated locally, the authority to appoint should be delegated by the Storting to the county councils—or, in the case of Oslo, to the City Council.

The eleven banks whose public appointees will be selected by the Storting itself are: Den norske Creditbank, Adresseus Bank, Bergen Bank, Christiania Bank og Kreditkasse, Fellesbanken, Bøndernes Bank, Fiskernes Bank, Landsbanken, Samvirkebanken, Forretningsbanken and Vestlandsbanken.



Den Danske Creditbank's Oslo head office.

could see no political, technical or economic grounds for such reconsideration.

On the same day that the White Paper was published, the Government named the members of the independent commission which will determine the level of compensation to be paid to shareholders wishing to sell their bank shares to the State. A provision of the commercial bank reform law states that shareholders who wish to do so may sell their shares to the State, within a period of three years from January 1, 1978, either at the market price on that day or the average price over the three preceding years, whichever is the higher. The commission will work out the details of fixing an average price over the years 1975-77—a process which will take a little time, for technical reasons. The commission will have to decide, for instance, on what basis the average is to be calculated—whether on daily, weekly or monthly quotations. There is also the problem of banks whose shares are not quoted on the Oslo Stock Exchange.

Appointees

It is worth noting that the public appointees the Storting selects will not all be socialists, even though Labour and its socialist ally, the SV, together have a one seat majority in the Storting. The new laws say nomination of public appointees should reflect the composition of the elected body which nominates them. This means that in a county where the Conservatives, for instance, are in a majority on the county council, the public appointees to local banks will include a majority of conservatives. This does not, of course, alter the fact that the shareholders will be in a minority on the banks' representative councils, once the law takes effect.

Last month's White Paper also decisively rejected the Opposition's final appeal—during the debate on the Speech from the Throne—that the Government should reconsider its plans to "democratise" the banks. The paper declared that the issue had been thoroughly debated and the Government

have fallen by 40.1 per cent, 17.7 per cent and 24.5 per cent, respectively, the index for bank shares declined by only 8.2 per cent, from January to mid-November.

Shares in shipping, industry, insurance, are not very tempting buys in Norway at the moment, in the present atmosphere of concern and uncertainty about the country's immediate economic future. Holders of bank shares, on the other hand, have three years' grace—during which they are to decide whether to hang on to their stakes in the banks or sell out and put their savings into savings else.

Loss

Such shares as do find their way into State hands are to be sold again as soon as the State can dispose of them without serious loss. The measure is not intended to make the State a major holder of bank shares—though some of its critics have claimed that this is precisely what it will do. They believe that many shareholders will sell, and share prices will fall so sharply thereafter that the State will not be able to resell without a loss. The next three years will show whether these fears are justified.

Meanwhile, government credit policy with regard to the private banks has been exceptionally strict this year. The official curbs, which have been gradually tightened as the year has progressed, have been designed to partly offset increased lending by the State banks, and an expensive financial policy generally. In January, the ratio for obligatory bearer bond holdings was increased from 33 to 35 per

cent, for commercial banks in southern Norway, and from 15 to 17 per cent, for banks in the north (where credit curbs are always less stringent, reflecting the region's special problems). The primary reserve requirements (from which banks in the north are exempt) have been raised no fewer than four times, this year, for banks in southern Norway. The last increase, on November 1, brought the rate to 9 per cent, for commercial banks and 7 per cent, for savings banks, and was expected to reduce liquidity by a total of Nkr.1bn. to Nkr.600m. being taken out of circulation by the commercial banks and the rest by the savings banks.

Despite these curbs, lending by both commercial and savings banks has been consistently running higher than the targets set in the National Budget for 1977. This said that the credit supply by the private banks this year should total Nkr.6.5bn. to Nkr.3.6bn. from the commercial banks and Nkr.2.9bn. from the savings banks. In the autumn, the authorities adjusted these "ceilings" upwards by a total of Nkr.1bn. — to Nkr.4.1bn. for the commercial banks and Nkr.3.4bn. for the savings banks.

Bank of Norway intervention in the currency market, in support of the krone, has also helped remove some liquidity from the private banking system. Purchases of foreign currency by the banks have, however, been lower than anticipated through most of the year — possibly because of the relatively low interest rates prevailing abroad. Only recently has the Bank of Norway had to intervene on a somewhat larger scale.

Fay Gjester
Oslo Correspondent



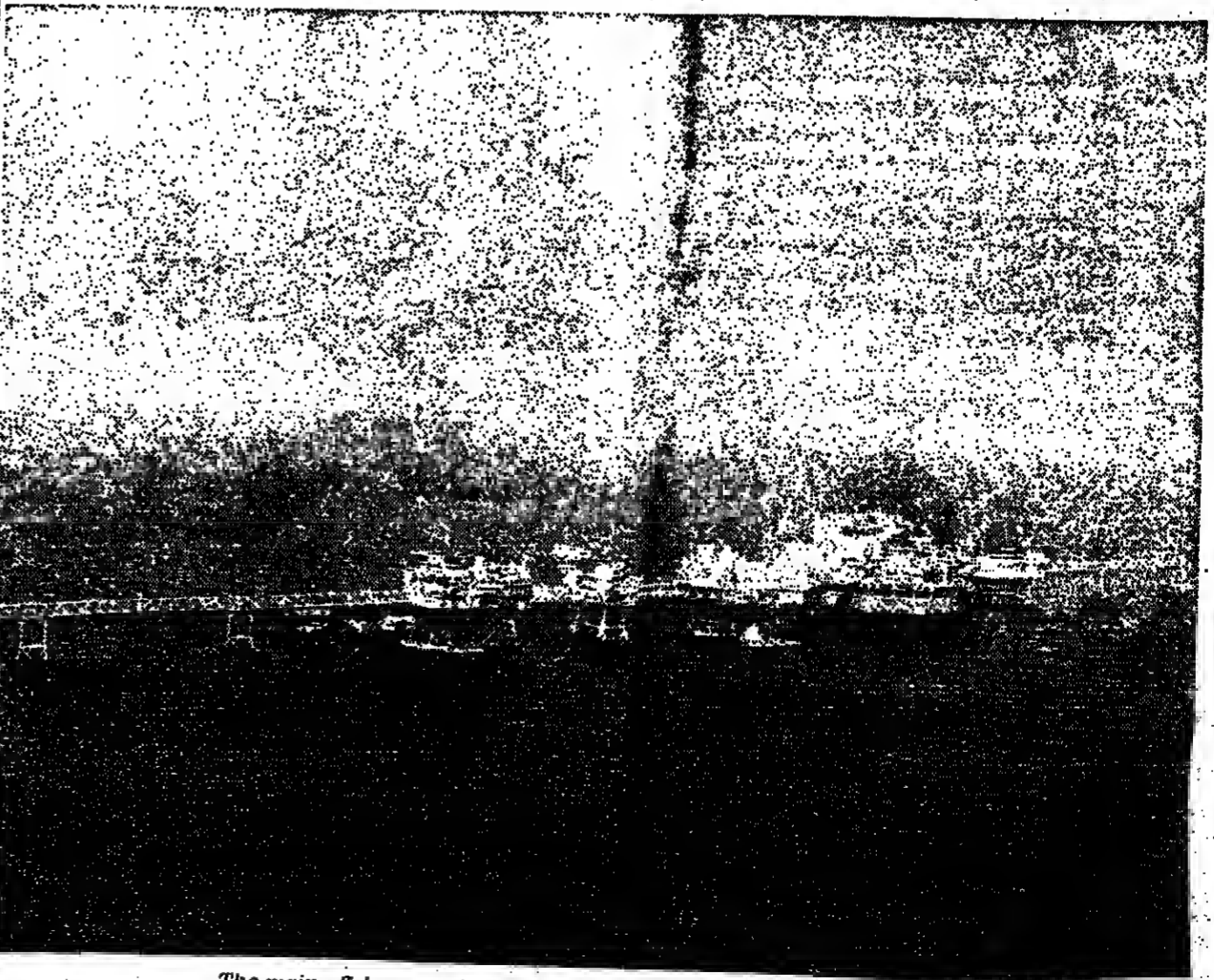
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NORDIC BANKING AND FINANCE VI



Prices being marked up on the floor of the Copenhagen Stock Exchange.

Danes cope with debt burden

A HEADLINE IN a Danish newspaper the other day ran: "Denmark teaches the EEC how to borrow." Well they might. Two of the principal preoccupations of the Danish authorities to-day are how to borrow enough abroad to finance the current balance of payments deficit and how to borrow enough on the domestic market to prevent the budget deficit flooding the country with money.

The Danes have, of course, always had a tendency to gamble when it comes to managing the national economy (oddly, private gambling is very tightly restricted), borrowing vast amounts of money abroad whenever markets have permitted it and paying for it later with forced retrenchment at home when either markets dried up or the debt became too big to sustain. This, in a nutshell, is the financial history of Denmark over the past century. And they have never been further from a break with the past than they are to-day.

Between 1960 and 1973 the current balance of payments deficit averaged 2 per cent of the gross domestic product, so when the oil crisis struck, the country already had a large net foreign debt. Since then the current deficit has run at an average of 3 per cent of GDP and the foreign debt has climbed rapidly.

At the end of last year the net foreign debt was about Dkr.38bn. or 14 1/2 per cent of gross domestic product. By the end of this year the debt will probably be about Dkr.55bn. and about 17 per cent of GDP. Bankers expect that by the end of the decade the debt will have climbed to about Dkr.80bn.

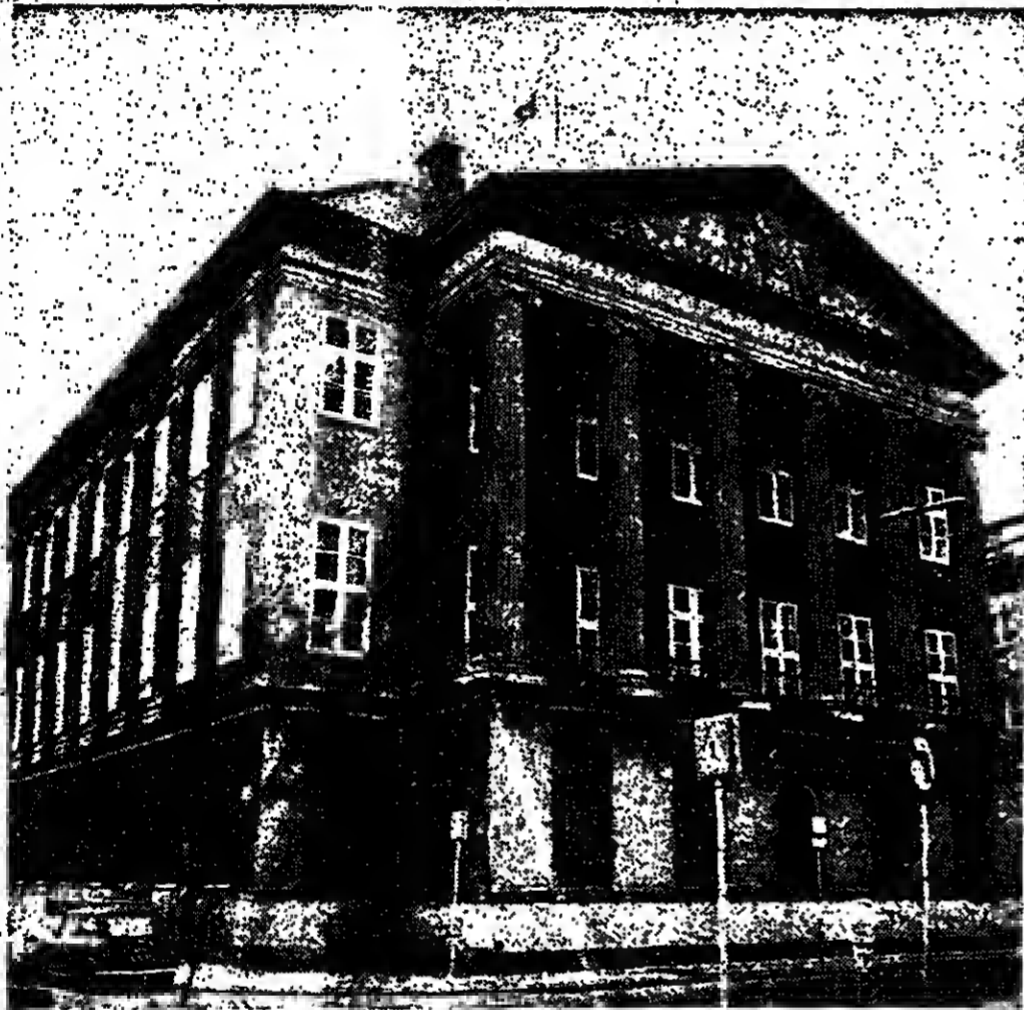
Until recently the current external deficits were financed mainly by the private sector, but over the past two years the government and public sector as a whole have had to borrow on a massive scale. In 1976, the public sector, mainly the State, raised a net Dkr.10.2bn. abroad and in the first nine months of this year the public sector raised another Dkr.6.3bn., while private capital imports came to about Dkr.5.5bn.

Servicing

The cost of servicing the public sector debt alone will amount to Dkr.4bn. this year rising to Dkr.6.9bn. in 1981, according to an official estimate published this month. The actual figure will be considerably larger in 1981 as the published figure did not include loans under negotiation nor did it take into account future borrowing requirements.

The debt servicing (repayments and interest) on the public sector debt this year will come to about 1 1/2 per cent of GDP. Allowing for an inflationary increase in GDP over the next few years, the debt burden may not increase very much proportionately in spite of the large cash flow. Nevertheless, servicing of the public sector debt alone will be of the same proportions as the current external deficit was throughout the 1960s.

Net private sector foreign debt is about the same size as the public sector debt or about Dkr.28bn. Total debt servicing this year will therefore be in the region of Dkr.8bn., rising to Dkr.16bn. by 1981, though this figure is necessarily a very rough estimate as there is no accurate information on the maturity of private sector debt or on the extent of future borrowing. Total debt servicing, however, is of the order of 10 per cent of total export revenue. It will inevitably rise to a high proportion in terms of export income, but it is anyone's



The head office of the Copenhagen Handelsbank.

guess whether depreciation of the Danish krone in coming years will tend to increase the debt burden faster than inflationary growth of exports' values will moderate it. The foreign debt burden is high by Western European standards, but not especially high by comparison with many less developed countries. Historically, Denmark's foreign debt was proportionately considerably larger in the years immediately before the First World War, but since then it has never been as high as it is to-day.

In the current state of international markets the Danish debt has not created any problems. Foreign banks are, metaphorically speaking, queuing up to lend money to the Government, and the Government is making the best of a good thing while it lasts. The official foreign exchange reserves are up to a record Dkr.13bn. compared with only Dkr.1bn. at the end of October last year. The funds provide Denmark with a cushion in case a squeeze on international liquidity should emerge next year or later, and they give the authorities additional strength in defending the krone's position as a member of the European currency snake.

The first signs emerged this month that the growing foreign debt is causing some politicians to have qualms. When Finance Minister Knud Heinesen asked for parliamentary authorisation to raise another Dkr.5bn. abroad in coming months, liberal parliamentary spokesman Henning Christoffersen requested the government to make a more detailed report on the consequences of further public sector borrowing to the parliamentary finance committee.

The domestic borrowing requirements of the Government are of newer date than the surplus until 1973 and since the immediate post-war period there has not been a significant national debt. This changed rapidly when the recession hit the country in mid-1974, causing Government revenue to fall at the same time as spending increased,

especially to cover unemployment benefits. The central government's total borrowing requirement in the fiscal year ending March 31 is about Dkr.21bn. and it will probably rise to about Dkr.27bn. in the coming fiscal year, rising from 7 per cent of GDP to well over 8 per cent.

The borrowing requirement is financed by a mixture of foreign and domestic borrowing from the non-bank sector and the size of sales of Government bonds and bills has had a substantial influence on the interest rate structure, which is the highest in Europe. Interest rates are kept high by the Central Bank in order to encourage the private sector to raise money abroad, but interest rates have soared well beyond the level necessary for this purpose and have also lost touch with the discount rate which is 8 per cent.

Criticism

The banks have come under criticism for pushing short-term interest rates up to these levels, partly because an upward drift on deposit interest rates forces them to raise rates on advances. The banks consider the criticism unjustified and blame the situation of the inflexible law on limitation of the spread on interest rates. This legislation obliges each individual bank and savings bank to keep the spread at the average of the three years 1972-74. The point of the legislation was to prevent the banks earning more money when everyone else was supposed to be showing restraint—incomes policy as applied to the banks.

The Minister of Commerce has put forward proposals to amend the law so that he can give individual banks dispensation from the law in the hope

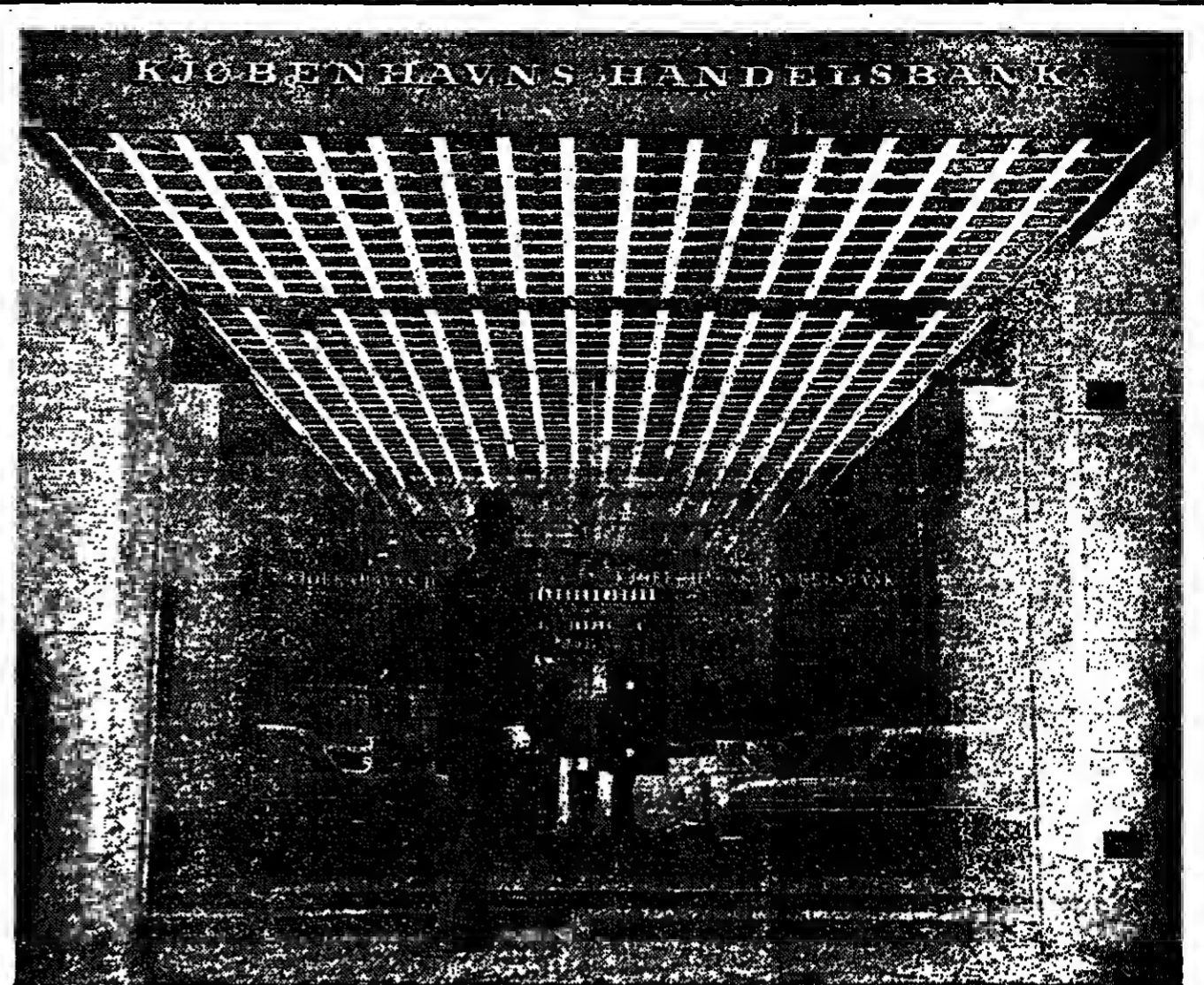
that this can prevent interest rates on advances being pulled up by the competition for short-term deposits at times when bank liquidity is particularly tight. The situation has also given rise to a discussion among the banks on reintroducing the interest rate agreement which ran from 1936 to 1973 and which imposed a uniform interest rate structure on bank deposits.

The legislation has duly had its effect on bank earnings. Operating profits have shown only a moderate increase over the past couple of years and little change is in prospect this year. Bank accounts will show a better final net return this year than last, when several banks reported losses. They were due to a fall in the value of securities held, which go into the books at their value on the final day of the year. While at the moment no significant increase in bank portfolio values can be expected, they will avoid the plunge which hit them last year.

Foreign portfolio investment in Denmark was liberalised when Denmark joined the EEC in 1972. Interest in Danish paper was limited, but this year high interest rates, especially on Government bonds, has attracted foreign investors, who have invested more than they did in the past five years together.

From January 1, Denmark is due to liberalise Danish portfolio investment abroad, but so far the authorities have not said whether they intend to go ahead with this or to seek a new postponement. The Danish share market has been bearish throughout this year after recovering somewhat in 1976. The share price index was fairly stable for a long period through the summer and early autumn, but since then it has fallen by about five per cent, and over the year so far it has fallen by about 15 per cent. An autumn fiscal squeeze, which will hit private consumption hard, and discourage interim reports have affected investor optimism.

Hilary Barnes
Copenhagen Correspondent



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NORDIC BANKING AND FINANCE VII

Finland needs to borrow more

THE PAST YEAR has seen three changes of relatively unusual character in the Finnish banking and financing scene: two devaluations of the Finnish markka and a reduction in interest rates.

Yet when all is said and done, they have had little real impact on the economy in general and the money market in particular. After three very difficult years the banking sector expects next year to be yet another year of trying to hold off credit-hungry clients and of competing with the State for the meagre funds which might be available for private saving.

Discernible in the background, too, is a steady, if subtle, move towards increasing State control of capital flows. And, overshadowing all and adding to the general uncertainty, is the possibility of a third devaluation in the near future. The sorry facts are that the corporate sector is in a bad liquidity shape, the Treasury cash position is extremely tight, the real disposable income of households is being eroded by inflation and taxes end, consequently, the savings ratio is shrinking. Much has been said of stimulating the economy, but little of real value has been done.

Devaluation

Sweden devalued the krona by 6 per cent. in March and again by 10 per cent. in August. Finland's reaction was a 5.7 per cent. depreciation of the Finnish markka in April and another 3 per cent. downward adjustment in August. For some sectors of industry the changes were too small and left Sweden with a

clear competitive edge in the West European export markets. It was in connection with the Finnish mini devaluation in August — an English banker called it a non-devaluation — that the general level of interest rates was lowered from October 1, the first change since 1973. The basic lending rate of the Bank of Finland was lowered by 1 per cent. unit to 8½ per cent., and in general the same change was applied to all bank lending and deposit rates and new bond issue rates. The adjustment was, as all interest rate decisions have long been, politically motivated.

Against the slight relief this may have brought borrowers must be set the discouragement to savers who are now offered only 7 per cent. on 24-month deposits, while inflation is running at an annual rate of 13 per cent. Savings had already stagnated. The savings ratio of households was 14.9 per cent. in 1975, 9.5 per cent. in 1976 and the estimate for both the current and next year is 9.5 per cent.

The Government did try to stimulate savings with a tax relief deposit scheme. This invites the saver to deposit in a tax relief account in his bank a minimum of Fmk.800 (just over £100) and maximum of Fmk.8,000 (about £1,066) per year for three years. Eight per cent. of the sum deposited is deductible from his taxable earned income. The interest rate is 8 per cent., but the tax benefit brings the yield up to about 11 per cent.

However, in the scramble for savings the State also announced that taxpayers who were owed tax refunds for 1976 could, if the sum was at least Fmk.500, elect to take in lieu a 2½-year bond with a 10 per cent. coupon, both capital and interest tax-free. One-half of the capital with interest will be repaid after 1½ years.

The Treasury is also compet-

ing with the private sector by increasing its bond issues. The latest offer is a five-year coupon paying 10½ per cent., with both capital and interest tax-free. The terms of new private issues are likely to be 10½ per cent. for eight years, also tax free. The bond market is becoming more popular now that the public realises that the papers can be sold before maturity; the current price for the older eight per cent. bonds are running at about Fmk.95 to Fmk.96, while the 11 per cent. bonds issued earlier this year are trading at over par.

The old stand-by in times of trouble, the foreign capital market, has been largely sealed off by the Bank of Finland which screens all applications for foreign credit very strictly. Several applications from the private sector have been refused this year. All eight new foreign bond floats sanctioned this year so far, totalling Fmk. 724m. were issued by State-owned companies or institutions. The two largest commercial banks each raised a debenture loan of \$30m. in 1977.

Determination

With the gross foreign debt as large as it is, the Central Bank's determination to limit foreign borrowing is understandable, but it does seem to be leading to something of a State monopoly. The recent increases and proposed increases in the borrowing rights of the State Investment Fund make it a bigger source of credit for the applicant for an investment loan than the two largest mortgage credit banks together—Industrial Bank of Finland, (private) and Mortgage Bank of Finland (owned by the Bank of Finland but run as a private bank). Both of these are long established banks, while the Investment Fund, which is managed by the State Postipankki, is a newcomer. The private sector fears increasing political influence in

Lance Keyworth Helsinki Correspondent

this trend which seems to be in accord with the avowed Left wing aim of gaining greater control of capital flows. The commercial banks' quotas for credit from the Central Bank were cut to Fmk.1.9bn. in May. But by the end of October the banks had been obliged to run up a Central Bank debt of Fmk.4bn., paying a penalty interest on the over-current price for the older eight per cent. bonds are running at about Fmk.95 to Fmk.96, versus Fmk.110bn. in 1976, by adopting a tougher attitude to credit applicants. It is true that the lack of propensity to invest has reduced the demand for longer-term credit, but the poor liquidity position of the corporate sector has increased the demand for short-term operating capital.

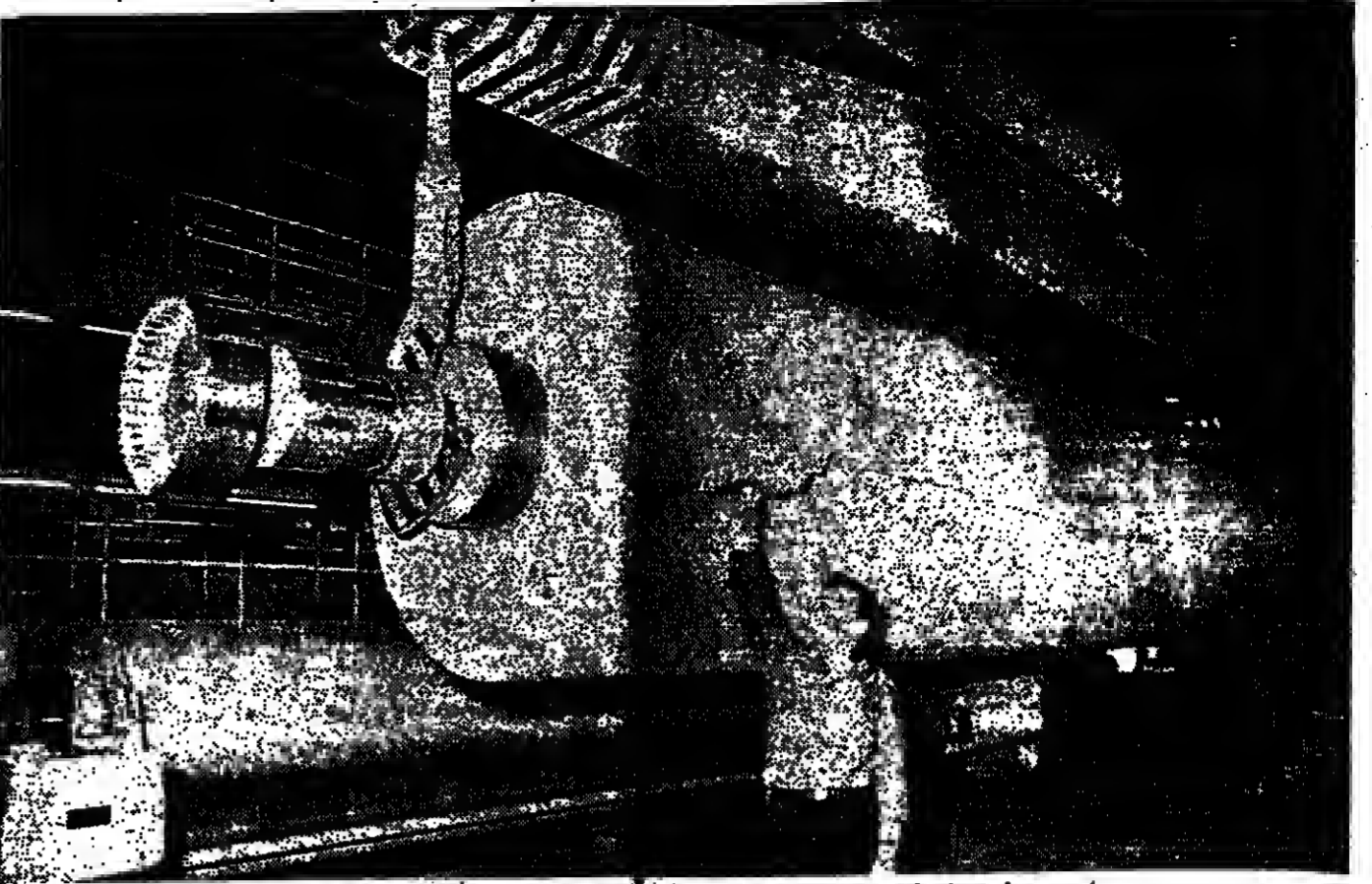
The gross foreign long-term debt was Fmk.27.7bn. (£3.6bn.) at the end of September this year, and will be a billion or so higher by the end of 1977. According to some experts, the economy now urgently needs a priming of Fmk.4-5bn. in the coming year. It is evident from the Treasury's strained cash position that this sum would have to be raised abroad. The State will probably need this kind of money to cover the costs in tax, labour and other costs required to restore the international competitiveness of industry and its profitability.

The only alternative solution—and it is being suggested with increasing frequency—is a meaningful devaluation of the Finnish markka, with all the negative consequences that will inevitably involve. A 20 per cent. devaluation, which could be considered the minimum for "meaningful," might add about Fmk.4bn. to the long-term debt, and, of course, increase the debt servicing costs sharply. The question seems to be: to borrow or to devalue, or a mixture of the two with strong back-up measures.

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Inflation is Iceland's biggest problem

THE ECONOMIC OUTLOOK in Iceland has deteriorated considerably over the past few months, after a marked improvement during 1976 and the first six months of this year. The situation in business and economic life in this smallest member state of NATO is expected to get worse before the year is out. Inflation will be running at about 32 per cent. at the end of the year according to official sources, but most people believe it will be closer to the 40 per cent. level.

The Icelandic coalition right of centre Government has been fighting inflation ever since it took office in the middle of 1974, after the collapse of a left-wing Government which left behind a record 54 per cent. inflation. Iceland's economy turned the corner in 1976, and earlier this year inflation was down to 26 per cent. on an annual basis. During last year and the first six months of this year, the situation improved markedly, the national product increased along with the terms of trade and the enormous deficit in the balance of trade during 1974-75 was nearly eliminated.

The two main factors behind the recovery were favourable external conditions of trade as well as the Government's economic policy, plus restraint in wages and wage negotiation and agreements. The upturn lasted until May when the Icelandic Federation of Labour negotiated a 26 to 27 per cent. wage increase for its members, which went beyond the limits warranted by the economic recovery. The favourable export position seems to have come to an end and basic industries like fishing are facing problems.

Limits

Civil servants went on strike for the first time in October. It lasted for two weeks and resulted in a 32 to 35 per cent. wage increase, which gave new impetus to the inflationary spiral. Total wage increases in Iceland this year will be 60 per cent. up on the year, the highest annual increase since 1962.

The Icelandic Minister of Finance Mr. Matthias A. Matthiassen, said in his annual budget speech in Parliament a few weeks ago that "consistent government policy has been maintained to withstand the expansion of the public sector, to strengthen government finances and thereby contributing to economic balance and stability."

The Government accounts show a deficit on current accounts for 1974 and 1975, but a surplus of I.Kr.800m. for 1976. The public sector as a percentage of the GNP accounted for 28.6 per cent. in 1974, 31.4 in 1975, but the Government managed to reduce it to 27.6 last year. This figure, according to Mr. Matthiassen, is expected to be further decreased this year and remain at a similar level next year.

The inflationary effects have seriously undermined the competitive positions of Icelandic industry and exports. The Government is promising to try to cope with the deteriorated situation, but it has only six months left in office, and will not take any unpopular steps for the time being. Measures will reflect the need to buy time until the parliamentary elections in the early summer. The recently introduced Budget Bill reflects the need to limit

public spending and to anchor the recently gained balance in government finances. The Bill, accounts nevertheless, for an increase in private spending of 5 to 6 per cent. following an increase of 8 per cent. this year.

The Government says it will try to prevent an increase in the trade deficit along with limited domestic demand, and so hopes that inflation will subside once again.

The balance of trade, which was in surplus by I.Kr.4.5m. in October 1976 was in deficit of I.Kr.9m. in October of this year. But the deficit balance for the year in total is estimated at I.Kr.5m. in October this year, and especially the freezing industry, claims it is heading into bankruptcy because of extremely high wages and the unfavourable rate of exchange of the Icelandic krona. Leaders of the industry have been demanding a considerable devaluation of the krona against currencies like the dollar and sterling.

The Government has succeeded, during the economic turmoil of the past three to four years, in keeping unemployment down. One method has been to borrow heavily abroad for major industrial investment-at home, like building power plants, and renewing the fishing fleet. Foreign debt in June of this year was I.Kr.114.5bn., excluding short-term foreign loans. This amount has increased somewhat since, and it is generally believed to be much too high. Foreign debt at the end of 1976 was close to the I.Kr.100bn. limit.

Net foreign exchange reserves at the end of September 1976 were I.Kr.3.638m. and are estimated to be still close to that mark. Gross foreign exchange reserves were I.Kr.19.347m. The foreign exchange reserves during the first nine months of this year improved by I.Kr.3.969bn. and this improvement is mostly due to improved external marketing conditions and external borrowing. Last year, about 14 per cent. of gross export income was used to repay foreign loans and interest. It is estimated that about the same percentage of export earnings will be used this year for the same purpose.

The Central Bank, along with the Government, has been using the floating rate of the Icelandic krona to regulate export earnings, and control prices and import prices. The Icelandic krona has depreciated considerably this year against most Western cur-

rencies and the down slide against the dollar reached about 8 per cent. during the first nine months of the year and is now close to or above the 9 per cent. level. The Government has been using the exchange rate as a tool in its fight against ever increasing inflation and internal labour cost.

Pension funds, which are run by the trade unions, have also been hard hit for the same reasons. The funds in general grant almost exclusive long-term loans to members, who in turn use the financing to buy permanent homes. Most Icelandic families own their own flats or houses. Low interest rates in the past few years have not protected the funds' assets against inflationary rises, thus diminishing the investment effects of the funds.

The latest development in banking in Iceland is that the Government is preparing a Bill which, if passed through Althing (Parliament), will allow Icelanders to open up foreign exchange accounts in Icelandic banks. Very strict currency regulations have been in effect in Iceland for years, creating a lucrative foreign exchange black market in the country. Now the Government thinks it is time to liberalise the rules and encourage Icelanders to deposit their foreign currencies, if they own them, in bank accounts, so long as they can give reasons for possessing foreign funds.

Jon Magnusson Reykjavik Correspondent

Advertisement for A/S Fiskernes Bank Norway. Text: 'We Like Fishing But COMMERCIAL BANKING IS OUR BUSINESS'. Includes contact information for Tromsø and Bergen.

Advertisement for AB Svensk Exportkredit AB. Text: 'PRIVATE PLACEMENT TO AB SVENSK EXPORTKREDIT AB (SWEDISH EXPORT CREDIT ASSOCIATION LTD.)'. Includes details about a loan facility for \$10,000,000 provided by Chase Manhattan Bank N.A. and Sundsvallsbanken.

Small handwritten text at the bottom center: 'Japinista'

The Marketing Scene

EDITED BY MICHAEL THOMPSON-NOEL

COI may spend £17m. this year

LATEST ESTIMATES of Government advertising expenditure this year through the Central Office of Information are now put at approximately £17m. compared with an anticipated spend of around £12.5m. Expenditure on the current five precautions campaign could reach £500,000 while other areas of higher-than-expected spending are the energy conservation and unemployment programmes.

Meanwhile, the COI has said that the Police Recruitment account, currently worth £540,000, is expected to rise in the new financial year, to a level of £600,000. It has also reported 1978 billings to rise to £25m, while the Prison Officer Recruitment business, currently worth £250,000, rises with Davidson Pearce Berry and Spotholwood.

SPERRY UNIVAC has appointed Ayr Barker Hoggemann to handle the £700,000 TV account for a new small computer product line. Additional advertising through ABB's Continental offices should total £250,000. The products are aimed at companies who buy in computer services. Adding in ABB's recent gains in Subaru car business, the agency's billings next year should move from around £10m. this year to nearer £13m.

WASEY CAMPBELL EWALD is to act for the whole Libby range for next year. The budget will be around £600,000.

CUSONS is to spend £140,000 on a two-week TV campaign for Imperial Leather bathing foam. The company reckons to have a 4 per cent of the bathing liquid market. Allen Brady and Marsh is the agency.

HALLMARK CARDS is concentrating on radio for a two-week drive which begins on December 5 and has a budget of £36,000.

A NEW PEARLS medicated shampoo is being launched with a £250,000 TV campaign followed by a further burst in January. It is the company's first venture into medicated shampoos.

JOHN RAAB, formerly managing director of British Posters, is to succeed William Metson as secretary of the Institute of the IPA. He will take over at the end of March when Mr. Metson retires.

Retail upheavals

BY MICHAEL THOMPSON-NOEL

THE RETAILING revolution on both sides of the Atlantic has naturally emerged as one of the biggest single issues in international marketing in recent years—and the revolution continues, though precisely where it is headed, no-one seems sure. A pointer to the complexity and speed of developments in this area was provided in London yesterday at a session on new directions in retailing at the second EuroAm conference organised by Advertising Age which helped underline that to anticipate the future it is useful to understand the past.

The UK picture was painted in by Peter Davis, marketing director of J. Sainsbury, and Denis GreenSmith, managing director of Selfridges. Mr. Davis pointed out that the UK had a ground in food retailing in recent years was one of a leveling-off in population and a static or even declining volume of trade which had helped the multiples move from a 20 per cent share of business 25 years ago to one of more than 50 per cent. Both the Co-Op and the independents had fallen back in the years to 1975, though the Co-Op had recently staged a comeback via aggressive marketing.

In the current economic climate, the big food chains were having to aim for increased market share, sometimes at the expense of margins, and had emerged as big advertisers. The MEAL-monitored figure for all retail advertising had grown from £18.9m. in 1972 to £36.1m. in the 12 months to September 30 1977, the figure for grocery chains had moved from £7.5m. to £24.8m.

Among individual food retailers, the Co-Op's national ad spend had grown from £1.3m. in 1973 to £3.2m. in the latest 12 month period, while other big gains had been shown by ASDA, Tesco and Sainsbury itself—from £185,000 to £870,000.

According to Eugene Mahany of Needham, Harper and Steers Advertising of Chicago, the US market picture in the wake of heavy inflation, increased government intervention and militant consumerism, was one of equally rapid change. There had been intense promotional activity in response to shopping for price, but there had also been the emergence of smart in-store boutiques and "ego-intensive merchandising" of clothes and furniture.

Mr. GreenSmith said that in retailing, as a whole there was a pond to be a move towards vastly improved store formats

and big improvements in style and atmosphere. One of Tuesday's speakers, David Kingsley, chairman of London's MSJ Advertising Group, discussed the growing use of advertising by governments, particularly in the U.S. and U.K., where governments were already big advertising spenders. In the U.S., the value of paid-for governmental advertising had increased from \$42m. in 1971 to \$113m. last year; in the U.K. the equivalent expenditure had been £2m. and £11.5m.

In turn, it now seemed that governments were using a smaller proportion of their advertising budgets merely for publicity and recruitment and were increasingly using advertising in an attempt to change social behaviour and explain the purpose and benefits of new legislation and social and economic policies.

The conservation of energy resources, the need for racial harmony and sensible road safety behaviour were typical areas for government advertising already explored in both countries, so that it was almost possible to identify a trend towards "government by advertisement." (In Norway, in fact, there was an unprecedented peace-time campaign under way to persuade the population towards more properly balanced diets.)

Was this a healthy development? It would be an unhealthy step, said Mr. Kingsley, if increased government advertising resulted in increased government advertising retails by itself, produced government by itself, or an increase in government intervention in the economy.

But there was now an entirely new dimension in which the marketing sector had to look to its legitimate interests and in which the marketing case had to be made plain: the EEC.

Where public health and safety were directly concerned, said the ASA chairman, there was a lot to be said for common community standards. "But if goods are produced for purely national consumption and are not to be marketed across the frontiers of the Community, I see no reason why they should not continue to conform to their own national regulations. Harmonisation for harmonisation's sake is a nonsense."

Increasingly, the EEC had its side should adopt a self-consistent and positive philosophy, turned its back on uniformity.

IPC's determined sales drive

BY PAMELA JUDGE

APART FROM spending nearly £2.3m. on promotion next spring, IPC Magazines is to take its circulation drive right down the line, and in a highly personal way, and his team have come up with Spring, 1978 Magell, a document which lists details of the plans for each IPC publication (including two new launches) which is to go out to some 1,000 individuals in wholesale houses—managing directors, regional managers and so on.

While the promotion plans are of considerable interest to the trade, Mr. Barnes hopes to get an equally interesting response to some of the information at the back of the booklet. Bearing in mind that the data is highly personalised, the information shows which wholesaling divisions returned below-target figures for IPC's last three high-promotion periods—Counter Attack in the autumn of 1976, Spring Board earlier this year and the latest autumn effort.

In other words, if central management of the wholesaling houses did not already have a picture of potential sales opportunities in the first week of an IPC drive, they will receive one any day now.

Between September 10 and November 12, IPC's women's weeklies showed a sales rise of 10 per cent, according to Mr. Barnes. Advertising revenue for the women's group is up 29 per cent in the first six months



How to lose weight and gain pounds

Clever leather

BY PHILIP KLENNMAN

MUCH ADVERTISING scores by persuading dealers to stock up in anticipation of consumer response to the ads. Indeed, some research has suggested that the sales effects of TV campaigns for packaged goods can be mainly ascribed to the increase in shelf space allotted to them by supermarkets. But if it is commonplace for a manufacturer of finished products to use TV to influence retailers, it is highly unusual for a producer of raw materials to attempt to do the same to manufacturers.

Pittards, one of the largest tannery groups in the country, is currently engaged in building a consumer brand image for its shoes, gloves, garments and so on manufactured by others. The exercise still has a long way to go, but John Pittard, group corporate development director and nephew of the chairman, C. J. Pittard, believes it is already paying off.

Pittards, a public company which grew out of the old family firm of C. W. Pittard in Yeovil, had a turnover last year of £14.3m. First half results for this year, announced in September, put turnover at £9.4m. In relation to turnover, Pittard reckons to spend more on advertising than any of its competitors, and of this year's ad budget of well over £100,000 two-thirds is being spent on TV in London and the Midlands.

Commercially, being broadcast this autumn for only the second year in succession, use the slogan "Very Clever Leather" and demonstrate the versatility of the material. Viewers are urged to look for a Pittards label on any leather product they buy.

According to the firm's secretary, Davidson Pearce Berry and Spotholwood was chosen not only because it supplies colour and movement but because of the their own sales effort.

Self-defeating uniformity

THE CONCEPT of a Eurobroad or a uniformity, the advertising business knows that uniformity in international advertising is self-defeating.

As to the consumer protection side, it seems to me equally important to recognise the validity of national traditions and the way in which national practices of dealing with the problem of advertising standards have grown up in different ways. The Germans have their predominantly legal traditions of dealing with theirs. We have our predominantly voluntary traditions of self-discipline. But neither of them is perfect and both are capable of improvement. Certainly both must be ready to adapt to changing circumstances.

"If there has to be a directive of this kind at the end of the day it ought to be in the most flexible and optional terms."

Where public health and safety were directly concerned, said the ASA chairman, there was a lot to be said for common community standards. "But if goods are produced for purely national consumption and are not to be marketed across the frontiers of the Community, I see no reason why they should not continue to conform to their own national regulations. Harmonisation for harmonisation's sake is a nonsense."

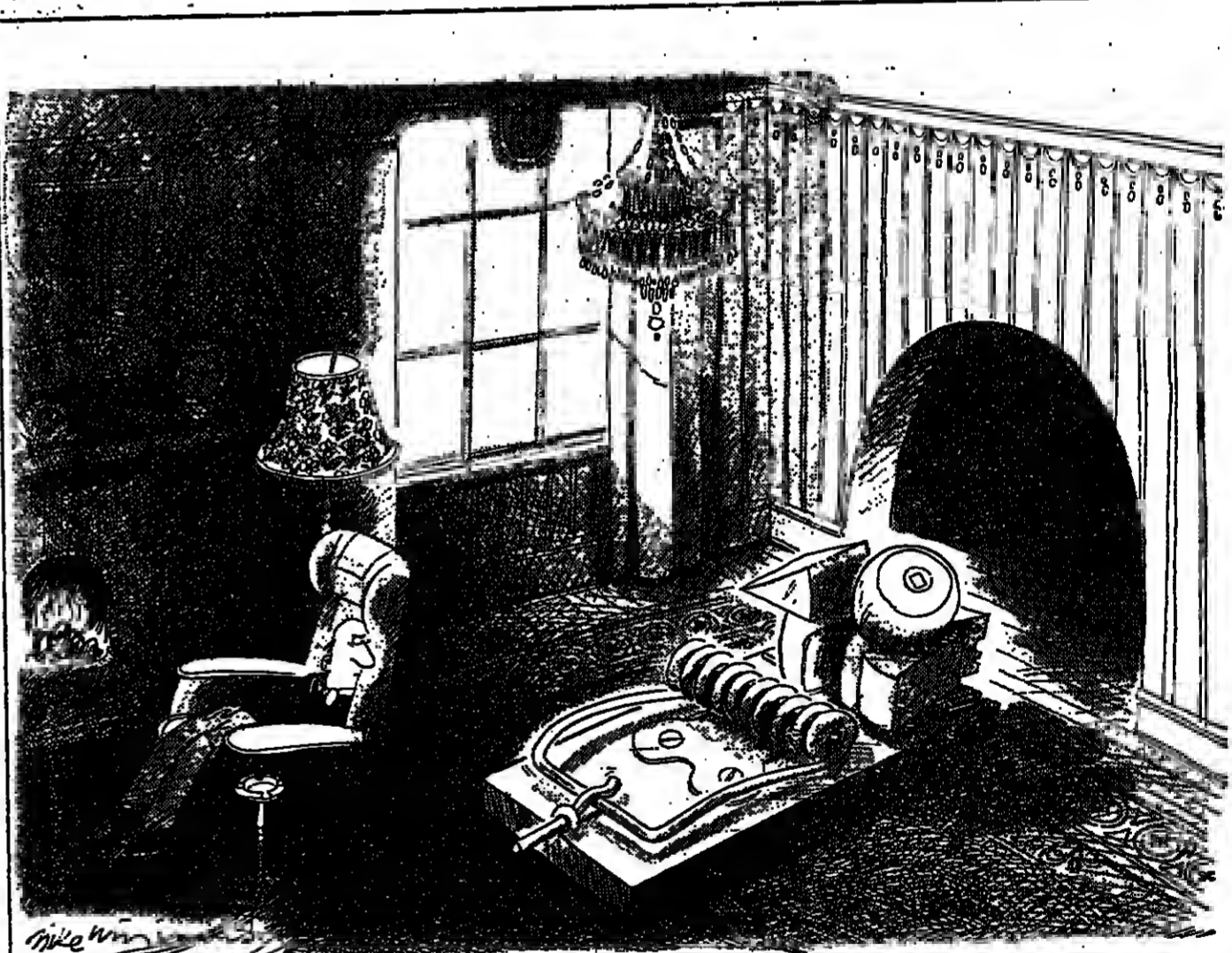
Williams & Glyn's

Interest Rate Changes

Williams & Glyn's Bank announces that with effect from December 1st 1977 its Base Rate for advances is increased from 6% to 7¼% per annum.

Interest on deposits at 7 days notice is increased from 3% to 3¼% per annum.

WILLIAMS & GLYN'S BANK LTD ✱



Somehow, Anglians get through 23% more branded cheese.

We're happy to report yet another example of Anglian excess consumption. In this case, 23% more cheese than the average British household. (Coincidentally, we also buy 21% more pickle.) And if you want to make a meal of our figures, take a look at the chart below.

ANNUAL GROCER SALES PER HEAD BY NIELSEN REGION - 1976

Region	£	%
ANGLIA	£176	6.0
LONDON	£175	24.8
SOUTHERN	£174	8.1
SCOTLAND	£160	9.6
WALES, WEST & WESTWARD	£159	10.0
TYNE TEES	£158	5.3
YORKSHIRE	£153	10.3
MIDLANDS	£150	13.8
LANCASHIRE	£136	12.1
G.R. TOTAL	£160	100

Source: NIELSEN

ANGLIA. JUST ABOVE LONDON AND THE SOUTH.
Anglia Television Ltd, Brook House, Park Lane, London, W1Y 4DX. Tel: 01-408 2288. *Source: T.C.A.

BASE RATE

With effect from the close of business on 1st December, 1977, and until further notice, TSB

Base Rate will be

7%

per annum.

TSB

Trustee Savings Banks Central Board,
P.O. Box 99, 3 Gracechurch Street,
London EC3P 3BX.

The war that never ends

We British are a peaceful people. When a war is over we like to consign it to the history books—and forget it.

But for some the wars live on. The disabled from both World Wars and from lesser campaigns, now all too easily forgotten; the widows, the orphans and the children—for them their war lives on, every day and all day.

In many cases, of course, there is help from a pension. But there is a limit to what any Government can do.

This is where Army Benevolence steps in. With understanding, with a sense of urgency... and with practical, financial help.

To us it is a privilege to help these brave men—and women, too. Please will you help us to do more? We must not let our soldiers down.

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J.C. Bamford Excavators, Embassy Hotels, Britannia Building Society, Biltons Tableware, Royal Doulton Sanitaryware and Sandvik are just a few of the people who agree with us. Send for our brochure and find out why.

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Telephone: 01-248 8000

Thursday December 1 1977

A question of independence

THE GOVERNMENT announced an increase in television licence fees at the end of last July. It was a small increase — considerably less than the Government had hoped for — and was intended to help the BBC keep its services running at around their current level without restoring cuts previously made or embarking on ambitious new projects.

The BBC itself, whose financial position — it is extremely vulnerable to inflation — made it glad of any increase in revenue, was upset not only by the fact that the increase was deliberately made in the way of a stopgap, to last for only a year. It protested, and the chairman protested again yesterday in his forward to the annual report. Pointing out that this was the first time ever that the Government had made a licence settlement intended to last for only a year, he added that such a development, if repeated, would create a situation dangerously like an annual grant.

Pay policy This, he went on, "has been repeatedly rejected by Government committees of enquiry as being bound, sooner or later, to undermine the BBC's vital constitutional independence." This is certainly felt inside the BBC to be the main, though not the only point of issue. It is not perhaps unusual when all forms of public expenditure are being curbed, that the BBC should be required to check its own and to seek for administrative economies of one kind or another. But this does alter the competitive balance between it and the independent television companies, to the advantage of the latter. The competitive balance between public and private sector broadcasting has, moreover, been affected in an even more disturbing way by the Govern-

ment's action. One of its reasons for keeping the BBC on a tight financial lead was to ensure that it observed the pay guidelines. It is arguable that the Government is attempting to enforce as a universal norm what was originally to have been a target average and it is questionable — as a question is obviously relevant to the issue of independence — whether the Government is even indirectly the paymaster in this case. But the practical result is that, through an accident of timing, technical staff at the BBC are being paid considerably less than their ITV counterparts. Not only is there a disruptive industrial activity as a result, which may get worse, but the BBC is losing employees to ITV on an embarrassing scale.

Three years

A further result of the way in which the last licence increase was made is that forward programme budgeting becomes extremely difficult: the more ambitious programmes have to be planned up to two years ahead, and the BBC has no way at present of guessing what its resources will then be. But independence is the main issue. Although the Government has not interfered with the way the BBC runs its affairs, it both appoints the governors and sets the licence fee: it is in a position, therefore, to exercise considerable control. The risk of it abusing this position would be reduced if, next summer, it were to give the BBC a sizeable increase in revenue designed to last for a period of at least three years, so that the Corporation could set its own Committee recommended, accurate sums reserves to smooth out fluctuations in its financial position. The chairman's anxiety is no doubt connected to some extent with the fact that negotiations about the next increase may be taking place at a time when the politicians are mainly interested in electioneering.

Mr. Sadat takes another risk

THE MIDDLE East as a whole and the Arabs in particular seems to many that Mr. Sadat's have not yet recovered from the shock of President Sadat's historic visit to Israel, only two weeks ago. It was inevitable that a visit of this type, which ended a 30-year taboo on Arab and Israeli leaders talking directly and openly, should cause such an outcry in the Arab world. Thus in the short-term, most of the Arab States seem incapable of understanding that President Sadat's dignified speech before the Israeli Knesset was an Arab triumph, not a humiliation. The domestic achievements may have been sparse, but it certainly demonstrated on the Arab side the imagination and desire to go to the heart of matters rather than haggle on endlessly about procedures which had been sadly absent before.

Hostile President Sadat was thus bound to receive a hostile reception, and to awaken fears that domestic stresses at home were making inroads on the search for a bilateral deal with Israel. Mr. Sadat certainly has a case when he argues that it is Egypt which has borne the major brunt of four wars with Israel, and he was in a hurry after visiting Jerusalem to ensure that the momentum achieved did not slow down. If that had happened, the visit would have been a failure, putting Mr. Sadat's position at risk. In short, Mr. Sadat's anxiety to keep the dialogue with the Israelis going was understandable. But what is questionable is whether he should not have left more time for the impact of his trip to sink in and be fully assessed by the other Arab states.

By calling so swiftly for a conference involving Israel, its neighbours, Palestinians and the co-chairmen of any Geneva meeting, Egypt was effectively asking its fellow states to associate themselves immediately with his initiative. In retrospect, it may be said that he pressed too hard and too soon. At this stage the conference in Cairo seems likely to be a comparatively lonely event with only Egypt, Israel, the U.S. and the UN certain to be represented. Outside, reactions vary from delicate fence-sitting to outright hostility. As the U.S. has shown reserve, as has the UN (by calling another con-

Workers in car managements: the dilatory revolution

By ARTHUR SMITH, Midlands Correspondent

BRITISH LEYLAND and Chrysler U.K., both rescued from financial collapse by state aid, presented the Labour Government with an opportunity to pioneer experiments in planning agreements and worker participation. Two concepts central to its election manifesto. Now, nearly two years on, ministers must be casting an anxious eye at developments. At Chrysler there are union fears that the company, a subsidiary of the U.S. concern, has "gone cool" towards the planning agreement. The working party formed to draw up the document has not met for nearly two months. Talks were adjourned on October 6 after the trade unions had requested more information about the new light car which Chrysler is to introduce at Linwood in 1979.

Prospects of a planning agreement at British Leyland, which has stumbled from crisis to crisis during the past 12 months, are as remote as ever. With the arrival of Mr. Michael Edwardes as chairman, yet another long term review of strategy is under way. More seriously, the participation machinery at Leyland Cars, upon which great hopes were placed for a dramatic improvement of industrial relations, is threatened with collapse.

Transport and General Workers Union members at the Leyland plant, in what union officials have described as a spontaneous rank and file protest against the Leyland style of management, are urging complete withdrawal from participation. The 3/60 branch, the largest in the country, has called for a meeting of all transport union stewards within Leyland Cars to recommend such action. Against the background, developments over the next couple of months will be crucial for both the Chrysler and Leyland experiments. The Chrysler planning agreement, the first and still the only one secured by the Government, has barely got off to an auspicious start. The document was signed in March and forecasts a \$300,000 profit for the year. By May, workers were already being told that losses in the first quarter had totalled \$2m. The deficit had mounted to \$10m by the end of September and only an outstanding performance by the troubled Linwood plant would prevent the total for the year moving beyond the £20m mark.

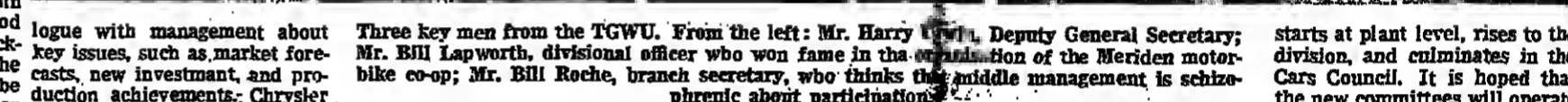
The great irony of participation at both Chrysler and Leyland is, that though it is sought by trade union leaders and the Labour Government, there is widespread suspicion among the shop stewards. Labour relations at Chrysler Chrysler in recent years. He was at such a low ebb prior to the rescue that employees rejected the company's offer of formal worker participation machinery and the right to two seats on the Board. Although there are only two parties to a planning agreement — the Government and the company — the fact that prior agreement is sought from the trade unions makes it a logical extension of any scheme of worker participation. However, at Chrysler, because of the suspicion of the workforce, the company set up an ad hoc committee system to formulate the planning agreement and developed a separate "communications" exercise to involve employees in company affairs. The word "communications" persists, but it is difficult to appreciate what distinguishes it from participation. There is no formal machinery — whereas at Leyland a structure of participation committees has been created. But there are quarterly conferences at which shop stewards can enter into a dialogue with management about key issues, such as market forecasts, new investment and production achievements. Chrysler also issues an information bulletin providing confidential details of company performance, and shop stewards are encouraged to sit in on management discussions. By early this year the success of these methods was reflected in the greatly improved industrial relations record and high morale among the work force. The company was quite happy to discuss its achievements and was considering pressing again for formal participation machinery. But nothing happened, and Chrysler seems reluctant to discuss either the planning agreement or "communications."

Mr. Bill Lapworth, the TGWU divisional officer based at Coventry, has been closely involved with the affairs of Chrysler in recent years. He believes that the company has "gone cool" towards the planning agreement. "It would be tragic to put at risk all the progress made so far just because of one short term problem the company may be facing." He speaks of the risk of "washing

—the Government and the company—the fact that prior agreement is sought from the trade unions makes it a logical extension of any scheme of worker participation. However, at Chrysler, because of the suspicion of the workforce, the company set up an ad hoc committee system to formulate the planning agreement and developed a separate "communications" exercise to involve employees in company affairs. The word "communications" persists, but it is difficult to appreciate what distinguishes it from participation. There is no formal machinery — whereas at Leyland a structure of participation committees has been created. But there are quarterly conferences at which shop stewards can enter into a dialogue with management about key issues, such as market forecasts, new investment and production achievements. Chrysler also issues an information bulletin providing confidential details of company performance, and shop stewards are encouraged to sit in on management discussions. By early this year the success of these methods was reflected in the greatly improved industrial relations record and high morale among the work force. The company was quite happy to discuss its achievements and was considering pressing again for formal participation machinery. But nothing happened, and Chrysler seems reluctant to discuss either the planning agreement or "communications."

Three key men from the TGWU. From the left: Mr. Harry Upton, Deputy General Secretary; Mr. Bill Lapworth, divisional officer who won fame in the car bike co-op; Mr. Bill Roche, branch secretary, who thinks the middle management is schizophrenic about participation.

stewards need help to make their voice more effective. Roche pinpoints a "schizophrenic" attitude of middle management as a main obstacle to the development of the participation ideal. "In the morning workers are confronted with high-handed and arrogant supervisory staff. The same afternoon workers are expected to sit down with these people for participation and discuss their future." Senior Leyland executives know the problem, but emphasise that attitudes cannot change overnight, and that time will be needed for participation to evolve. One of them said: "What is being called for is a revolution in management style. There must be full consultation and involvement of employees in decision making, but on occasions supervisory staff will still need to exert authority." The immediate problem in the State-owned concern is that the drift away from participation and to involve all 24 plants in the machinery. Appeals have already been made to trade union leaders to exert their influence to make the system work. After all, the Leyland participation framework was drawn up largely by Mr. Harry Upton, Deputy General Secretary of the TGWU, and was agreed to by all the unions within the Confederation of Shipbuilding and Engineering Unions. A new initiative is planned to overcome the failure to involve shop floor workers in debate and discussion. Efforts will be made to form around 1,000 joint management-union committees at shop and department level. They will supplement the existing three-tier system of committees which



MEN AND MATTERS

Who cares? The public pays... Does one recognise the band of rail publicists Will Camp in British Rail's decision to support the pressure group Transport 2000? As it reported a month ago, the organisation has staged a startling recovery just when it seemed financially on the ropes. Director Mick Hamer confirmed yesterday to me that BR has become committed to Transport 2000, which has a minimum subscription of £5. Clearly, the men just along the corridor from Peter Parker are injecting much more than that. He declares it is no secret that the three railway unions back his association, and says they still supply more than half of the total revenue. How much is that? Not more than £10,000 a year. Hamer must be deploying it well, because last month he launched a magazine and pays a full-time helper in addition to finding his own salary. "What about the British Road Federation?" he responded to my probing. "They are supported by two nationalised bodies, the National Bus Company and the National Freight Corporation." True enough; and when I questioned the federation, it admitted to receiving donations totalling more than £100,000 a year. That's competition for you—all these State organisations slopping it out in a bid to win friends and influence Westminster and Whitehall.

Fit for princes The two Crown Princes of Saudi Arabia are in for a sartorial surprise when a Christian Dior shop opens in Riyadh in February. To provide it, a Savile Row firm has broken a pledge never to repeat the "completely uncommercial" type of monogrammed cloth being worn by President Carter and Premier Callaghan. "It's in view of the oil," explained the firm's managing director, Walter Otten, yesterday. Prince Fahd and Prince Abdullah have not yet been told that they are to be given suit-lengths with the initials "PP" and "PA" respectively in emulation of the "JC" cloth with which Jim Callaghan recently made so much play. The princes are decidedly in luck, because it seems that wealthy dandies the world over have been trying in vain to persuade the designers, Wain Shieff, to turn out more cloth incorporating personal mono-

grams. Unless you happen to be royal in the world's biggest oil supplier, one initial is all you will get. Even so, Americans and Japanese are taking to this form of head-to-foot exhibitionism with a gusto. In Hong Kong, clothes with "L" and "W" woven in are going well, because of the prominence of Lees and Wongs in the populace. I asked Otten whether he might ever make one more exception. Supposing, for instance, Mr. Brezhnev wanted a suit-length with "LB" woven into it? "In my experience," he said grandly, "they don't appreciate high-quality suiting in eastern Europe. We've never sold them any."

South Coast only Blackfriars station in the old days was just made for suburban Walter Mitys. They might just have been going home to the wife and now the lawn to Sevenoaks or Beckenham but, with a little touch of imagination, they could equally well have been off to a mysterious rendezvous in Geneva, Baden-Baden or St. Petersburg. At least that is what one could have been led to believe by the list of romantic sounding destinations carved in stone on the station's mighty pillars. They would however have had to wait on platform one for a mighty long time had they really wanted to go to any of these places. For the fact is that, contrary to the evidence on the stone pillars, which have been carefully preserved and incorporated in the rebuilt station opened yesterday, the old continental boat trains never left from Blackfriars at all.

Shod for life While a colleague was looking at a display of shoes on a stall in a London market last Saturday he remarked to the stallholder that they were cheap and asked if they would wear well. "They must wear well, gov," was the reply. "Nobody's ever come back for a second pair." Observer

THE INDUSTRY BUILDERS

Advertisement for Hunting Gate Group — More Than Builders. Text describes the group's services in construction, planning, and industrial estate partnership schemes. Contact information for Hunting Gate Hitchin, Herts SG4 0TB, Telephone: (0462) 4444, Telex: 82444.

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ECONOMIC VIEWPOINT

BY ANTHONY HARRIS

Money policy when employers cave in

NUMBERS WEAVE their own myths, and one of the most powerful at the moment is that a stern monetarism has displaced all other forms of economic policy in the U.K. The sudden rise in interest rates last week is only the most recent confirmation of this belief. The floating of sterling at the end of October, and—according to the National Institute of Economic and Social Research—the whole fiscal policy which started in July 1976, and was subsequently tightened to meet the terms of the IMF, tell the same story. The Government has been deflationary, when it should have been reflationary, and has now sacrificed competitiveness on the same altar. The financial economy flourishes while the real economy awaits first aid.

If this were a true account of affairs, one would expect to find that whatever else might have happened, monetary policy had indeed been strict; and this is where the numbers come in. Until September the growth of the money supply as measured by M3, the definition used for policy purposes, did look restrained. Even in its sterling version— which has grown rather faster than the old M3 since sterling recovered—M3 growth remained near the bottom of its official range, and well below the going rate of inflation. If both rates are measured on an annual basis.

More votes

All this suggests that while the Government has certainly acted with determination to reduce its own deficit, monetary policy has been extremely permissive since the financial recovery at the beginning of the year, and that the authorities have now acted, possibly too late, to prevent rapid growth becoming explosive.

The restraint of public spending has been dictated partly by financial necessity in the crisis of 1976, but is now reinforced by political calculation. Mr. Callaghan, like Mrs. Thatcher, now reckons that there are more votes in cutting taxes than in the social services. Monetary policy, on the other hand, has been a mixture of accident and statistical illusion. The accident was the U.S. decision to follow a policy of fairly aggressive dollar depreciation; to put pressure on Japan and to contain protectionist pressures at home. This has involved enormous outflows, as did the U.K.'s involuntary depreciation in 1975, which have complicated the task of monetary management everywhere. The statistical illusion

was that M3 provided a measure of the impact of policy.

The story has been greatly complicated, it is true, by three changes in exchange rate policy. In 1976, until events got out of hand, the policy was one of measured depreciation. After the subsequent crisis and recovery, the Government settled for what was hoped would be a less eventful policy of a virtually fixed dollar value for sterling; but in July, fearing that the decline of the dollar would inflate the British price level too far, the Bank in England persuaded the Chancellor to change to a policy of a constant effective exchange rate against the average of currencies. This ensured that sterling would rise against the dollar, and the inflows became enormously larger until the end of October, when sterling was floated.

The meaning of this story is one which academics will be able to debate for years to come. The plain man's interpretation, which certainly appeals strongly to a journalist like myself, is that most of the inflow was the result of the policy change in July, and since the float on October 31, sterling's appreciation has been held in check by disputes about wages.

However, there is a monetarist version which suggests that neither the Government nor the unions had much to do with events. The monetarist interpretation of the balance of payments says that currency flows are determined by the relative monetary policies in the countries concerned. Forecasts based on this version of events—

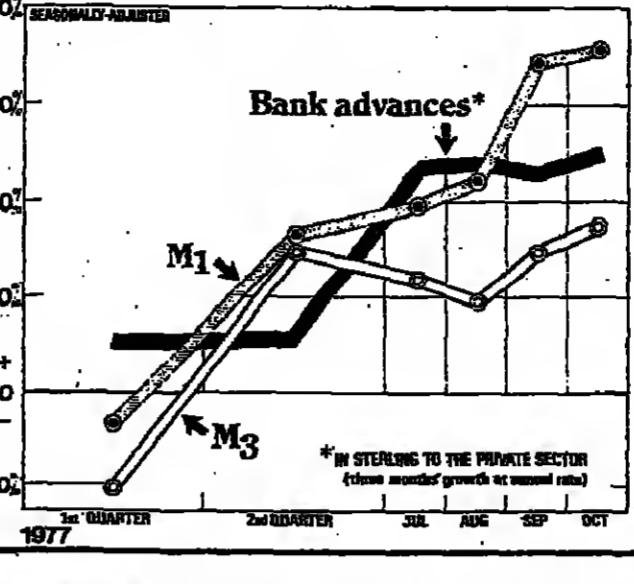
including one in the Treasury's own model of the economy—produced remarkably accurate estimates of the size of the dollar inflow. This version of events suggests that the inflow was simply the result of having any official policy about the exchange rate, and that the comparative calm since the float is due to the fact that the Government changed its policy at precisely the point when the monetary forces were back in balance.

This seemingly dry reasoning is absolutely central to the kind of arguments about long-term policy which the National Institute has launched this week. The National Institute seems to assume that it is possible for the Government to get virtually any exchange rate it wants, in spite of the fact that it has been forced off its chosen policy three times in just over a year. The Institute does not seem too worried about the possible consequences for the money supply.

and that given a better guide to Government funding which depends on a series of bull markets in Government stock the Government can still keep some control of events on both fronts. Indeed, unless this is so, it hardly seems worth discussing long-term policy at all. We must either live with whatever growth of money and inflation results from the dollar outflow permitted by the U.S. authorities, or risk the kind of disruptive currency appreciation recently suffered by Japan.

Familiar

Pure monetarists, at the other extreme, would argue that no Government can have both a monetary policy and an exchange rate policy; one or the other must be left to be determined by market forces. The fact that the Government, having freed the exchange rate, has allowed its monetary actions to be dictated by market forces, has thus made the myth of stern monetarism more credible than ever before. The rest of this article is concerned to suggest that a middle view is possible,



the need for some better guide to monetary policy is strongly suggested by events in this country this year, for the over-expansion suggested by almost any measure except the official one has certainly had noticeable results. One has been a fall in interest rates which leaves the authorities in a deeply familiar dilemma: what to do if the demand for Government stock does not soon revive. As I have argued repeatedly in recent years, a system of

exchange rate policy which keep adequate stocks, they could have faced stoppages with relative equanimity. Indeed, until strikes again carry some risk of defeat in the private sector, militancy is positively encouraged. Experience teaches that strikes always pay.

Too many British employers seem to share this view in reverse: wages can only be controlled by the Government, and strikes are to be avoided at almost any cost. The availability of cheap credit seems simply to have encouraged them to buy off any possible trouble by inventing cosmetic ways of paying well above the Government guideline. While it is not certain that a tighter monetary policy would have checked this behaviour, the outcome would hardly have been worse. High taxes and cheap money seem in the event positively to have encouraged wage inflation.

This pattern of behaviour is also, as it happens, a strong argument in favour of allowing the exchange rate to appreciate, which is a natural result of a tight monetary policy. Depreciation, or even constant competitiveness, can only encourage growth and investment if it has its theoretical result—an improvement in profit margins. Experience in the last decade suggests that British employers are unable or unwilling to protect their profit margins until they have their backs to bankruptcy. If this is so, monetary policy at least permits us to achieve the low growth rate that goes with weak profits without suffering high inflation too. A monetary policy and an

exchange rate policy which keep adequate stocks, they could have faced stoppages with relative equanimity. Indeed, until strikes again carry some risk of defeat in the private sector, militancy is positively encouraged. Experience teaches that strikes always pay.

Better measures

I have suggested that such a policy depends first on the use of indicators which give a better measure than M3 of the real ease of credit in the home economy; but it also depends on more effective ways of executing any policy which these indicators suggest. A still greater challenge is posed by the need at times to fund or discourage large foreign inflows, which must be accommodated if both monetary and exchange rate objectives are to be achieved, with the threat of a dilemma about interest rates.

Essentially this means that funding cannot simply depend on fixed interest rate bonds, nor on contriving a bull market in Government stock, for all bull markets come to an end; the present potential crisis marks the end of one such bull market. The floating rate bond launched this year to meet the need does not seem likely to fulfil this role, since the funding of inflows has created an exceptionally steep yield curve. Some other strategy—North Sea equity, or some other security offering real rather than monetary security—seems essential if the Government is to achieve its monetary objectives in a turbulent real world.

A parallel currency

FROM THE HON. DAVID COBOLD.

Sir—Professor Triffin in his excellent article (November 25) argues that a European "parallel currency" would be an attractive alternative to the inordinate mushrooming of national currencies in short term as well as long term transactions and a practical first step on the long road to monetary union. He is surely right.

He then proposes, however, that the "parallel currency" should be linked to one or other of the several formulae for "currency baskets"—most of which have been tried and found inadequate except for transactions at the official level and for limited capital market issues.

The essential for a "parallel currency" if it is to achieve Professor Triffin's aims is that it should be a currency of account, freely traded in the spot and future foreign exchange markets against other convertible currencies. For this to be possible some central banking involvement (albeit light) as market maker and ultimate supplier is imperative.

The unit will first and foremost be valued by the market against the U.S. dollar and its initial bench mark should therefore be set in dollar terms. To encourage initial public acceptance it might be linked to the unit of gold at the free market price. The link could be broken at a later date when the unit was fully established. Commercial banks would be quick to follow such a central banking initiative but are effectively limited to national currencies without it.

A ready made unit for the purpose already exists and in the right place. The Bank for International Settlements (BIS) in Basle is capitalised and makes up its accounts in Gold Francs (GF), which are defined as 0.29032258 grammes of fine gold. At a conversion factor of 1 gramme = 0.03115 fine ounces and a free-market gold price of \$US158 per fine ounce, GF1.00 = \$US1.57 (the BIS uses an official rate of approximately GF1.00 = \$US0.59 for balance sheet purposes).

The BIS is uniquely placed to manage a limited and experimental European reserve fund on behalf of a syndicate of EEC member central banks, who in any case as shareholders of the BIS meet regularly once a month in Basle.

David Lytton Cobbold, Knebworth House, Knebworth, Herts.

Letters to the Editor

prescription boils down to electoral reform and "a set of political policies that is in tune with majority opinion."

I share his desire for electoral change, but he must surely realise that there are few votes in the proposal, and that its implementation would not bring an overall change in the character of our politicians.

A desire for policies according with majority opinion shows a laudable regard for democratic principles. It is herdy an original suggestion, and gives no guidance as to what the policies should be.

Whether Mr. Rogaly likes it or not, the only practical way to be involved in British politics is to be a member of one of the two major parties. A party is more than its official pronouncements, as is shown by the pamphlet by John Biffen that Mr. Rogaly reviews. My own preference is for the party that at least holds out the hope that attitudes such as those in Mr. Biffen's pamphlet could achieve ascendancy. In case Mr. Rogaly is in any doubt, that is not the Labour party.

Jonathan Bradley, 57, Romilly Road, N.4.

Takeovers and trusts

FROM MR. E. INSTONE.

Sir—The letter from Mr. Walter A. Eberstadt in defence of closed-end investment companies (November 29) prompts the thought that, with friends like him, such companies have no need of enemies.

The decline of the investment trust is simply explained. Individual investors are better served by unit trusts, because the bid price of units is tied to asset values and by insurance-based plans (because of the tax advantages), and institutional investors no longer need trusts because they do their own portfolio management. We have here a clear instance of technological obsolescence.

Mr. Eberstadt's soliloquy for fund managers is understandable but irrelevant. His point about "leverage" or, as would say, gearing is an exaggerated one because the same effect, if and when conditions favour the geared equity, can be obtained through investment in geared companies, directly or indirectly.

It can only be in the interests of all existing investors in investment companies that the oversupply should be rectified by the acceptance of institutional bids at prices in excess of ex-bid market values. Some of the advertisements which have recently appeared in defence of the status quo are scarcely justifiable even as special pleading.

Ralph Instone, 23, Old Square, Lincoln's Inn, W.C.2.

Buying American aircraft

FROM MR. J. MILLAR.

Sir—British Airways, we are told, plans to buy American aircraft—which will not have British engines. Why? Shame on British Airways! Why not the A-300 European Airways which has British Hawker Siddeley wings and could have Rolls-Royce engines?

British airlines have not always known what aircraft to buy. Some years ago the British De Havilland Aircraft Company—now Hawker Siddeley—designed a splendid three-engined aircraft to meet a world need. Too big, said British European Airways, so millions of the taxpayers' money went in producing the Trident 1 and its engines. It was soon found too small and followed by Tridents 11 and 13. Too late for the world's needs, which were satisfied by the American Boeing Company which liked De Havilland's original design and has sold more than 1,000 Boeing 727s all over the world.

The Government must stop history repeating itself. It should order now some A-300 Airbuses with Rolls-Royce engines. They already fly into Paris with Air Inter and into London with Air France.

Reports received by this association show that over recent months British fabricators have lost business worth well over £5m. to foreign competitors. This work has been lost on price and quality, and delivery are not in issue. In many cases orders have been placed at 30 to 50 per cent below U.K. prices. As the materials content accounts for 35 to 50 per cent of the price of

Buying work in the U.K.

FROM THE ACTING DIRECTOR PROCESS PLANT ASSOCIATION.

Sir—in his speech to the Association of Manufacturers of Domestic Electrical Appliances on November 24, the Secretary of State for Trade referred to the need for Britain and its European partners to have selective safeguards against disruptive imports.

The process plant industry's current concern is not about low-cost producers outside Europe but cut-price competition in the home market coming mainly from within the European Community and against which there is no protection whatsoever.

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To-day's Events

GENERAL

Mr. Denis Healey, Chancellor of the Exchequer, meets CBI leaders to discuss progress of pay policy.

Mr. Li Chang, Chinese Foreign Trade Minister, meets Prime Minister and Mr. Anthony Wedgwood Benn, Energy Secretary, before starting regional tour of British industrial plants.

National Union of Mineworkers negotiators due to meet National Coal Board following its formal rejection of pay increases before 12-months rule.

European Commission's first open discussions on nuclear energy end, Brussels.

PUBLICATION OF PAY COMMITTEE

House of Commons: European Assembly Elections Bill, committee.

House of Lords: Atholl Investment (Aberdeen Development) Order Confirmation Bill. Motions to approve Coprus (Keeping) Order 1977, Wink (Keeping) Order 1977, and Employment Protection (Variation of Limits) Order 1977. Gun Barrel Proof Bill, second reading. Debate on television and radio. Budget Select Committees: Trade and

INDUSTRY SUB-COMMITTEE, continuing its inquiry into the Fishing Industry, visits Shetlands. Nationalised Industries (sub-committee B). Subject: British Steel. Witnesses: Mr. Eric Varley, Industry Secretary, and Mr. Gerald Kanfman, Minister of State (3.30 p.m., Room 8).

COMPANY RESULTS

Bass Charrington (full year). British Petroleum (third quarter). Royal Electronics (half year). 600 Group (half year).

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Bryant Group, Shirley, Solihull, 3.30 p.m. Courtney Pope, 25/Lea-bury, Bucks., 11.00 a.m. Hughland Distillers, Glasgow, 12.00 p.m.

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A moderate world

FROM MR. D. HOWELL, M.P.

Sir—Mr. Joe Rogaly's superbly fair and balanced special report (November 29) of the Conservative Party's position should not be left unchallenged. His first proposition seems to be that since the Labour Party has for the moment espoused a number of Tory policies, partly because it had no choice and partly to try to catch the right wing tide, there is no need to worry further, and the world is safe for moderation. If he believes that, he will believe anything—but perhaps he does not. That line of thought seems to die of disinterest in my article. He switches, however, to another thesis—why what he calls the "hate factor" would anyway make the position of a Conservative administration impossible. The "hate factor" he explains by some observations he has made about the Parties and public opinion in 1973/4. But the Conservative Party is not the Party of 1974 and public opinion is not the opinion of 1974 (as the Liberals have good cause to know).

A very great deal has happened in these three years, and a very great deal has been learnt. It is quite wrong to compare the massive Labour Party/United Trade Union movement line-up of opinion in 1974, half-supported by a nervous and unprepared British public with the sort of disconsolate Marxist rump that might well emerge from the next socialist defeat. Just as it is also quite wrong to compare the position of the Conservative Government four years ago with the position of a new Conservative Government which will have substantial backing from all sectors of the community, including trade unionists.

The basic problem is that Mr. Rogaly (and I admit that he is not the only one) is using an out-of-date map to chart the political scene in Britain. That is why he ends up in a cul-de-sac urging constitutional and electoral reform.

I believe that some further constitutional reform, on top of the significant Parliamentary reforms which have been unfolding since 1970/71 (relatively unnoticed) is desirable—and is coming anyway with the impact of the European Community on Parliamentary procedures.

But changing the electoral system has a very low priority

to resist, the conclusion that foreign fabricators are taking work at a loss or receiving covert help of some kind. Whatever the explanation, it is clear that British fabricators are suffering from determined efforts by foreign competitors to "bury" work in the U.K. to replace lost turnover in their own severely depressed home markets and that in effect steel is being dumped via finished products.

Most of the projects for which fabricated plant is being ordered abroad are in the assisted areas and benefit from Government help funded by British taxpayers without any parallel obligation to support British suppliers. The projects are capital intensive and make only a modest contribution to creating new jobs or safeguarding employment except in the construction phase. On the other hand, British fabricators, whose activity is labour intensive and have themselves benefited from Government grants and loans, are unable because of cut-price foreign competition to earn a reasonable return on their investment.

The fabricating sector, though working well below capacity, is making every effort to keep its labour force intact. If business continues to be lost at the present rate redundancies next spring are inevitable. It is time for the U.K. process industries to look beyond the short-term advantages of opportunist purchasing and recognise that they risk inflicting permanent damage on the British supply capability to the detriment of customers and suppliers alike.

J. L. Good, 197 Knightbridge, SW7.

Choice of parties

FROM THE TREASURER, THE SELDON GROUP.

Sir—Joe Rogaly (Society Today November 29) complains that there is little difference between the official policies of the Labour and Conservative parties. Since he sees "no great source of inspiration in either of the two major parties," it must be assumed that he regards the common ground between them as undesirable. He seems puzzled, however, about the prospect of a further move in conservatism if the Labour party were elected with a substantial majority, but he is equally concerned about the "hate factor" under a Conservative government. His own

choice of a "parallel currency" if it is to achieve Professor Triffin's aims is that it should be a currency of account, freely traded in the spot and future foreign exchange markets against other convertible currencies. For this to be possible some central banking involvement (albeit light) as market maker and ultimate supplier is imperative.

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David Lytton Cobbold, Knebworth House, Knebworth, Herts.



LOOKING FOR A BANK IN FINLAND

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00007 Helsinki 70.
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Dealers 121701
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Personnel 3431
Accounts 3.2 million

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All major industrial and commercial companies in the private and public sector. Every other private person has a savings or deposit account in Postipankki.

Complete banking service including

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- International Financing
- Foreign Trade Finance
- Eurobond Dealing
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- Foreign Exchange

POSTIPANKKI

MEPC nears £9m. and sees further growth

RECOVERY in profitability of MEPC has continued with taxable earnings for the year to September 30, 1977, advancing from £5.4m. to £8.97m. on gross rental income and other revenue totalling £11.33m., against £8.3m.

At the same time, however, Mr. Gerald Thorley, the chairman, reports that a review of uncompleted developments and sites by reference to their value at completion has been conducted, and provisions totalling £38.25m. have been made in respect of some of them. The uplift in value expected from other sites and developments in progress has been disregarded.

Together with an exchange loss and other items amounting to £13.17m. (gain £3.63m.) and extraordinary debits of £5.6m. (£2.15m.) the net reduction in property values of £28.4m. (£3.33m.) has weakened reserves by £46.52m., against a £2m. increase last time.

At the March 31 half-year earnings were ahead from £1.52m. to £2.97m.

While the directors still have certain problems to solve, the company has demonstrated that it has the skill and financial resources to deal with these problems, and they are confident that that profitability will continue to improve significantly in the current year, Mr. Thorley says.

It is understood that, although the audit has not been finalised, the auditors' report will be unqualified this time. Last year the auditors were unable to express an opinion on whether development properties were fairly stated and on the capital gains tax which might arise if investment properties were realised at the amount shown.

Stated earnings for the year 20p share were 2.1p (loss 0.9p) before the exchange loss and extraordinary debits. There is no final dividend. The last payment was 0.1p net interim for 1975-76; however, an interim dividend of 1.7p is to be paid on December 30, 1977, to maintain trustee status.

The investment portfolio consists of times to be the underlying strength of the company and from it will come much of the future growth of income, Mr. Thorley says.

Sales of investment properties in the U.K. continued during the year realising £12.7m. This involved the sale of 99 properties at a surplus over book value of £1.1m. The sales target for the current year has already been met and further sales will only be made when dictated by the principles of good estate management, the chairman comments.

During the past few years the group has retained a number of major sites in excellent positions which could not be developed because of the lack of suitable demand, and a willingness by institutional sources to fund development schemes. There is now a modest, but scattered demand for space at acceptable rental levels. This has been accompanied by a return of the institutions to the funding market, Mr. Thorley explains.

The directors expect that pre-letting and funding requirements will be met in 1978 to enable development of sites in Guildford and Oxford Street to begin. The Guildford project comprises a comprehensive shopping development of 150,000 square feet together with a small office contact. The Oxford Street development, at the new Bond Street Station, comprises 44,500 square feet of shopping space and 41,000 square feet of offices. The group's holding in subsidiaries MEPC Housing and J. Sanders and Son (Holdings) has been reduced to around £1m. without having to make further provisions.

The income-earning part of the investment portfolio was valued on the more conservative basis of open market value during 1976-77 and will be revalued annually in the future. Development properties were transferred on completion of the income-earning investments and were also independently valued at August 31, 1977, at a surplus over net book value of £5.6m., which has been incorporated in the balance sheet.

Overall, the loan capital of the group was reduced from £42m. to £16m.

Contractual commitments have been reduced to £18.5m. (£28.5m.). The directors now intend to commence two major developments and one large subsidiary in the U.K. The financing of which will be comfortably

A. Dunhill tops £4½m. at halfway

ON TURNOVER £6.05m. higher at £23.22m., taxable profit of Allred Dunhill climbed from £4.26m. to £4.9m. for the six months ended September 30, 1977.

Profit of Dunhill, a subsidiary of Rothmans International, is subject to tax of £2.44m. (£2.25m.) and minority interests of £83,000 (£77,000). Attributable profit comes out at £2.07m. against £1.53m. last year. The result includes a contribution from Montblanc-Simplo for five months.

The interim dividend is stepped up from 2.45p to 2.862p net. A total of 7,886,869 per 10p share was paid last year on record taxable profit of £9.01m.

Cardiff Making slips into the red

After showing a mid-year decline from £44,100 to £14,160, Cardiff Making Co. slipped into a pre-tax loss of £46,868 for the full year to September 30, 1977, compared with a £57,894 profit. Turnover increased from £219,238 to £207,247.

In August, at the time of the acquisition of Wadhama Group, the directors said that standard business had made it extremely difficult to produce good results, which would mean significantly less favourable full year results.

A tax credit of £22,523 (£30,761 debit) leaves a net loss of £23,343 (£27,133 profit). A lower final dividend of 0.8p net cuts the total from 2.14p to 1.7p per 20p share.

Silverthorne expands to £293,000

On sales of £4.8m., against £3.35m., taxable profits of Silverthorne Group expanded from for 12 months £14,151 to £293,046 for the 15 months to October 2, 1977. Tax took £130,067 (£58,889) leaving stated earnings ahead from 1p to 4.4p per 10p share. A final dividend of 1p net makes a total for the period of 1.5p, compared with 1p for the previous 12 months.

At the interim stage, nine months profits were £218,226, against a £8,822 deficit for the corresponding six months.

The company's activities are as manufacturers of housewares and consumer goods, chain saws and garden cultivators and metal finishing processors.

Belgrave (Blackheath)

For the six months to July 31, 1977 turnover of Belgrave (Blackheath) turned in at £1.59m, compared with £1.18m. and profits fell from £111,057 to £78,851, subject to tax of £38,571 against £53,000.

Taxable profit for the last full year was £198,630.

The company manufactures steel forgings, bolts and nuts.

Tilley back to profits and dividends

Dividend has been restored at 10p. A final dividend of 10p has been declared after the return to the black. The last dividend was in 1973-74 when a total of 3,692,859 was paid on taxable profit of £20,000.

The profit is subject to tax of £27,655 (£19,200 credit), and earnings per share are stated at 10.6p (7.7p loss).


1976-77	1975-76	
Turnover	1,592,871	1,181,567
Operating profit	182,568	141,586
Overhead charges	(20,227)	(19,566)
Grant-in-aid	36,472	23,683
Depreciation	(84,835)	(94,874)
Profit before tax	73,978	(49,258)
Profit after tax	51,176	(34,672)
Net profit	4,811	(22,376)
Minority interest	(8,262)	(4,136)
Loss, percent, 2000		

Rothmans ahead £8.84m. so far

ATTRIBUTABLE LARGELY to European markets are likely to have some effect on earnings during the second half of the current year.

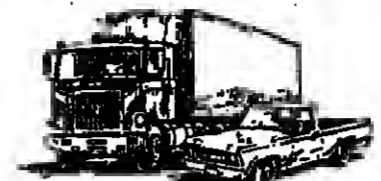
The net interim dividend per 12 1/2p share is raised from 3.53p to 4.75p, costing £1.14m. (£1.63m.) and the directors forecast a total dividend of not less than £1.8m. Last year's total was £1.8415p from profits of £66.4m.


On the six months under review the directors say that sales volume increased and further progress was made by the group's international brands of cigarettes in the domestic markets of Belgium, France and the U.K. In view




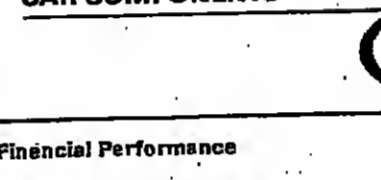
IN PERSPECTIVE OVER TEN YEARS

What we do . . .

- 

TRUCK COMPONENTS
- 

SERVICE PARTS DISTRIBUTION
- 


INDUSTRIAL AND OFF-HIGHWAY COMPONENTS
- 

PASSENGER CAR COMPONENTS

SALES OF PRODUCTS AND SERVICES		
1967	1977	
IN MILLIONS	IN MILLIONS	
\$272	\$967	... from New products and increased marketing services
\$126	\$385	... from Expanded coverage with more regional warehouses and more products
\$38	\$253	... a Growth area of the Company - more products and new marketing capabilities
\$116	\$189	... from Serving the areas which meet our financial standards

\$552 \$1,794
TOTAL SALES MORE THAN TRIPLED IN THE TEN YEAR PERIOD

Financial Performance			How dividends and reinvestment have been good for shareholders.									
Year ended August 31st	1977	1976	percentage change									
Our net income after tax amounted to	\$107,800,000	\$89,200,000	+21%	<table border="1" style="font-size: small;"> <tr><td>1967</td><td>1977</td></tr> <tr><td>Dow-Jones Industrial stock price average at August 31st</td><td>\$01.29 \$61.49</td></tr> <tr><td>Dana stock price August 31st</td><td>\$11.46 \$23.00</td></tr> <tr><td>Dana dividend - Annualized year-end rate</td><td>\$53 \$1.12</td></tr> </table>	1967	1977	Dow-Jones Industrial stock price average at August 31st	\$01.29 \$61.49	Dana stock price August 31st	\$11.46 \$23.00	Dana dividend - Annualized year-end rate	\$53 \$1.12
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Dana stock price August 31st	\$11.46 \$23.00											
Dana dividend - Annualized year-end rate	\$53 \$1.12											
We made on each dollar of sales	6c	6c		<table border="1" style="font-size: small;"> <tr><td>1967</td><td>1977</td></tr> <tr><td>Past Ten Years Dow Average Down 5%</td><td></td></tr> <tr><td>Dana was up over 100% in the Ten years</td><td></td></tr> <tr><td>and so was its dividend!</td><td></td></tr> </table>	1967	1977	Past Ten Years Dow Average Down 5%		Dana was up over 100% in the Ten years		and so was its dividend!	
1967	1977											
Past Ten Years Dow Average Down 5%												
Dana was up over 100% in the Ten years												
and so was its dividend!												
Received from customers for products and services	\$1,790,000,000	\$1,440,000,000	+24%									



DANA CORPORATION

The largest independent producer of proprietary motor vehicle components in North America for the original equipment and service parts markets.

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yesterday went back to work.

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Deputy Governor: Thomas W. Walker, C.B.E., B.L.,
Chief Executive: D. Bruce Pattullo, B.A.,
Secretary: Joan Smith, M.A., L.L.B., Ph.D., Advocate

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MINING NEWS

De Beers expanding its diamond output

By KENNETH MARSTON, MINING EDITOR

WITH AFRICA'S De Beers announces a major expansion — a 13 per cent. increase in its diamond production in the Republic together with a decision to launch R5m. (16m.) mineral survey of the West Africa (Namibia) output from the Kimberley Namaqualand diamond mines is to be lifted by some 5m. carats a year at a total of R67.5m. (£22.8m.). This includes the already announced increase of 500,000 carats a year by Koinnass mine.



Koinnass mine is on schedule and annual output of 500,000 carats of high quality gem stones will also begin in 1978.

CSO INCREASES IN GEM PRICES

Table showing CSO increases in gem prices from December 1977 to November 1977. Prices for various gemstones like diamonds and rubies are listed.

In the first half of this year the CSO figure climbed to \$1.08bn. and so strong has been the demand for diamonds, particularly the smaller gems, that the previously big stocks held by the CSO have been run down.

Further, the market has absorbed the big 15 per cent. price increase in March and now faces with some equanimity a further rise of 17 per cent. which will take effect this month.

The proposed survey by De Beers Consolidated Diamond Mines of South West Africa subsidiary will start in January and will cover some 100,000 square kilometres over areas to the east of Windhoek north of Luderitz, south of Karasburg and north of Namibia.

Far from retreating from Namibia, the Oppenheimer group is clearly aiming to come to some partnership arrangement with the new administrators of the territory when they emerge.

Nickel producers post prices

IN MOVES clearly designed to restore stability to the erratic international nickel market, two producers, Falconbridge of Canada and Amax of the U.S., have resumed the practice of publishing fixed prices.

Granduc copper mine is written off

THE U.S. groups, Asarco and Newmont Mining are writing off their investments in the Granduc copper mine of British Columbia. Both are making provisions for future related costs.

In the first three quarters of this year Asarco had net profits of \$11.7m. (£6.4m.), and Newmont had earnings for the same period of \$14.8m. (£8.1m.).

SUNGEI BESI MAKES PROFIT

The Malaysian tin-producing Sungei Besi has enjoyed a better-than-expected half year thanks to increased production and higher tin prices. It has made a profit for the six months to September of \$13.09m. (£7.17m.) compared with a loss of \$12.08m. a year ago.

ANZ BANK Base rate Australia and New Zealand Banking Group Limited announce that on and after 1st December 1977 its base rate will be 7% per annum.

HARTLE MACHINERY INTERNATIONAL LTD. (Machine Tool and Engineering Group) SUMMARY OF RESULTS 18 months to 30.6.1977 vs Year ended 31.12.1976.

ERSKINE HOUSE INVESTMENTS LIMITED Tourism and Leisure Group INTERIM STATEMENT FOR THE HALF-YEAR ENDED 30 SEPTEMBER 1977. Includes financial results and a statement from Chairman Graham R. Dowson.

Falconbridge and Amax are obviously hoping that other producers will follow their initiative, which seems to be timed to take advantage of the rough balance between production and demand created by severe mine cutbacks.

The basic price at Falconbridge will be \$2.08 (£1.14) a lb and that at Amax \$2.06. The disparity can partly be explained by the fact that Falconbridge nickel tends to be of higher grade.

These prices are nevertheless considerably higher than the free market price of \$1.50. But they are coherent with the pattern of industry prices described by Inco in the middle of November when it published a prospectus for an issue of preferred shares.

ART GALLERIES COVENTRY GARDEN GALLERY, OPENS TODAY Christmas Exhibition of over 700 paintings. Watercolor, mainly 19th and 20th century.

CLUBS FIVE 19th Century Street, 72A Essex, A-11. Cards of All in town. Free Spectacular Food. 10.30-12.45, 1.45 and 8.00. Johnny's Tavern, 45, 113-20, Old Street, 11.30-12.30.

FINANCE Since 1974 the Group's principal financial priority has been to reduce its overall level of borrowings, particularly secured loans and loans denominated in currencies other than sterling.

UNITED KINGDOM Investment Portfolio The investment portfolio continues to be the underlying strength of the Company and from it will come much of the future growth of income.

Residential Developments Last year I said that we needed to achieve another £5m of sales to close the operations of MEPC Housing Ltd. and J. Sanders & Son (Holdings) Ltd.

VALUATION OF PROPERTIES The income earning part of the investment portfolio has been valued on the basis of open market value and it is our intention in the future to revalue this portfolio annually.

MEPC Confidence for the future

Highlights from the Statement by the Chairman, Sir Gerald Thorley, T.D., F.R.I.C.S., for the year ended 30th September, 1977.

SUMMARY OF GROUP REVENUE (in £,000's) Table with columns for 1977 and 1976. Rows include Gross revenue, Revenue before taxation, Taxation, Earnings attributable to ordinary shareholders, and NET DIVIDEND per share.

FINANCE Since 1974 the Group's principal financial priority has been to reduce its overall level of borrowings, particularly secured loans and loans denominated in currencies other than sterling.

OVERSEAS Canada Due to the unfavourable outlook in Canada your Board decided that a sale of its investment in MEPC Canadian Properties Ltd. would be beneficial.

United States In 1974 we established a subsidiary in the United States by the purchase of the Gamble and Norman commercial centres in Minneapolis - 650,000 square feet of office accommodation and 2 1/2 acres of undeveloped land.

BANCO MERCANTIL DE SAO PAULO is pleased to announce the opening today of its LONDON BRANCH THE STOCK EXCHANGE LONDON EC2N 1HH. Telephone: General 01-638 4444 Dealers 01-638 2488. Luis de Magalhães Vaz Pinto, General Manager.

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Ericsson's nine month earnings rise by 13%

BY WILLIAM DULLFORCE STOCKHOLM, Nov. 30. L. M. ERICSSON, the Swedish telecommunications group, reports a 13 per cent. improvement in earnings to Kr.515m. (\$59.2m.) for the first nine months and 5 per cent. growth in turnover to Kr.5.4bn. (\$617m.)

Peugeot heads for growth

BY DAVID CURRY PARIS, Nov. 30. AUTOMOBILES Peugeot, which historically ought to be the more profitable half of the Peugeot-Citroen combine formed just over a year ago, is heading for at least maintained and probably improved profits in 1977.

AMERICAN NEWS

ICC may take legal action

A COURT-APPOINTED investigator recommends that International Controls Corp. (ICC) sue a prominent Washington law firm, Hogan and Hartson, and a leading accounting firm, Coopers and Lybrand, for allegedly aiding in the schemes of Robert L. Vesco, reports AP-Dow Jones.

Carroll noted what he called a precipitous drop in public common offerings of companies seeking equity capital for the first time. He said that in the first six months of 1977 such offerings totaled \$230m. compared to \$3.3bn. for all 1976.

Mr. Vesco used International Controls, a Thomaston, Connecticut, electronics manufacturer, in his 1970 take-over of the overseas mutual fund empire, IOS. In November, 1972, the Securities and Exchange Commission charged Mr. Vesco and numerous associates in a civil complaint with "fictitious IOS funds, which have since been placed in liquidation."

Mr. Vesco used International Controls, a Thomaston, Connecticut, electronics manufacturer, in his 1970 take-over of the overseas mutual fund empire, IOS. In November, 1972, the Securities and Exchange Commission charged Mr. Vesco and numerous associates in a civil complaint with "fictitious IOS funds, which have since been placed in liquidation."

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Resignations at Malmros

BY WILLIAM DULLFORCE STOCKHOLM, Nov. 30. THE CHAIRMAN, Mr. Axel Roos, and two other directors left the Board of the crisis-ridden Malmros shipping company yesterday after a clash at an extraordinary general meeting with the managing director, Mr. Frans Malmros.

Deutsche Bank ahead

BY JONATHAN CARR BONN, Nov. 30. DEUTSCHE BANK, West Germany's biggest commercial bank, has followed a comparable lead in announcing a sharp rise in operating profit in the first 10 months of the year.

NOTICE OF REDEMPTION

To the Holders of RICHARDSON-MERRELL OVERSEAS FINANCE N.V. 8 3/4% Guaranteed Debentures Due December 15, 1985

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of December 15, 1970 providing for the above Debentures, \$2,000,000 principal amount of said Debentures bearing the following serial numbers have been selected for redemption on December 15, 1977.

Table with columns for Debenture Number, Amount, and Serial Number. Lists specific debentures for redemption, including numbers like 36.1, 36.2, 36.3, etc.

On December 15, 1977, the Debentures designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts.

RICHARDSON-MERRELL OVERSEAS FINANCE N.V.
The following Debentures previously called for redemption have not as yet been presented for payment:
35-672 2243 2109 3218 3222 3260 3264 7154 12670 12713 12621 12628 12634

EUROBONDS

MLR hint helps sterling issues
THE SECONDARY bond market eased at the start of trading but was a little easier yesterday as some profit taking developed.

SELECTED EURODOLLAR BOND PRICES

Table listing bond prices for various maturities and currencies, including US\$ 100m, US\$ 50m, and US\$ 25m.

MID-DAY INDICATIONS

Table showing mid-day indications for various bond issues, including Australia 5 1/2%, NZ\$ 100m, and others.

NOTES

Table listing various notes and bonds, including Australia 7 1/2%, NZ\$ 100m, and others.

DM BONDS

Table listing German marks (DM) bonds, including Austria 6 1/2%, NZ\$ 100m, and others.

Treasury Dept. tax hint

THE TREASURY Department is prepared to seriously consider proposing special tax treatment for stock offerings of emerging new companies, Robert Carwell, Deputy Secretary of the Treasury said yesterday.

AT and T estimates

AMERICAN TELEPHONE and Telegraph will have to spend "a cool \$100m." and have "about 3,000 people working on" its 1978 operations, according to a report by the company.

November turnaround

AT & T's November turnover at Bache Group
BACHE GROUP Inc. president, Mr. Harry A. Jacobs Jr., told the annual meeting that the company had had a very substantial increase in November gross revenues and that October's trading losses had been stopped.

Outlook at Rexnord

By Kenneth Gooding, Industrial Correspondent
MORE than 250 institutional investors, mainly from the UK, but also from other parts of Europe and the Middle East, were given a "teach-in" by senior executives of Rexnord, the diversified engineering group, in London yesterday.

Dayco Corp. earnings rise

By Lynton McLean
THE DAYCO Corporation of Dayton, Ohio, has announced a 10 per cent. increase in net earnings for the first nine months of this year compared with the same period in 1976.

Resignations at Malmros

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Advertisement for Bayerische Vereinsbank Finance Company B.V. featuring U.S. \$30,000,000 Guaranteed Floating Rate Notes Due 1981. Includes details on interest rates, terms, and contact information for Morgan Guaranty Trust Company of New York, London, and Agent.

Advertisement for SGS-ATES International S.A., Luxembourg. Features U.S. \$10,000,000 Medium Term Loan Guaranteed by STET. Lists various banks providing services and contact information for Western American Bank (Europe) Limited.



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JOHN WALKER & SONS LTD. SCOTCH WHISKY DISTILLERS, KILMARNOCK, SCOTLAND

Johnnie Walker

BOOKS OF THE MONTH

Announcements below are pre-paid advertisements. If you require entry in the forthcoming panels application should be made to the Advertisement Department, Brackley House, 1, Cannon Street, EC4P 4BY. Telephone 01 248 8000, Ext. 7064.

Shakespeare's Prophetic Mind

C. Harwood
This short and highly readable volume... Shakespeare's plays as oracles of their times.

Capital Allowances in Law & Practice

R. J. Pickering FCA FTII
President, Institute of Taxation

The first book to bring together all the provisions on capital allowances... including amendments since the 1968 Act...

Small Enterprise Development: Policies and Development

International Labour Office
Intended for persons concerned with promoting small enterprises...

Statements of Source & Application of Funds: A Practical Guide to SSAP. 10

Robert W. Knox, FCA
The author deals not only with specific difficulties which have been encountered in practice...

Personnel Administration and Industrial Relations. Second Edition

J. Valerie Grant and Geoff Smith

This edition includes new material covering the effects of the incomes policy. The sections dealing with selection, employment assessment and evaluation have been expanded and updated.

Capital Transfer Tax (Updated) (Cassette)

Ralph P. Ray
This new double cassette programme sets out the anti and bits of the tax in its updated form...

Anatomy of U.K. Finance 1970-75

Christopher Johnson

This book, originally published by the Financial Times, presents a comprehensive analysis of finance in Britain...

Houseman's Law of Life Assurance. Ninth Edition, 1977

Ed. B. P. A. Davies

Life assurance, the most important part of the British economy, is the centre of current debate...

Folley's Taxation in the Channel Islands and Isle of Man

David G. Young

A detailed guide to taxation in Jersey, Guernsey and the Isle of Man, revised to include the laws in September 1977.

Tiley's Revenue Law Second Edition, 1977

John Tiley

Expanded in the light of the Finance Act 1977, the book now covers CTT and development land tax in addition to income tax, corporation tax and capital gains tax.

Tolley's Taxation in the Republic of Ireland 1977-78

Eric L. Harvey FCA and Nigel A. D. Lambert LL.M.

A detailed guide to taxation in the Republic of Ireland including the Finance Act 1977, capital gains tax, capital acquisitions tax, wealth tax, corporation tax and value added tax.

The National Trust Yearbook 1977-78

Gervase Jackson Stops

The ideal gift for anyone with an interest in our unique cultural and environmental heritage. With 120 illustrations.

The Private Shareholder and the Corporate Report

Professor T. A. Lee and Dr. D. P. Tweedie

This book reports on an inquiry into the extent to which private shareholders use and understand the financial reports of companies, as well as the other sources of financial information to which they may turn.

Zapiski raznykh let

L. O. Pasternak

An autobiographical reminiscence of Lennid Pasternak, the father of the poet, in Russian. Copiously illustrated with 150 of Pasternak's sketches...

Interest on Unpaid or Overpaid Tax

Peter P. Kelley ACA FTII

The book aims to promote a clear understanding of the effect of interest on unpaid or overpaid tax and the implications for major claims and certificates of Tax Deposit.

French painting in the Hermitage Museum

Anna Barskaya (compiler)

A superb compilation of the complete collection of French paintings in the Hermitage museum in the period from the second half of the 18th to the early 20th centuries.

Caravaggio and his Followers

S. Vsevolozhskaya & I. Linnik

187 canvases and their details by 40 different artists of the Caravaggio circle together with a number of unidentified works of the period and schools which are housed in Soviet art galleries.

BOOKS

Holding the gorgeous East in fee

BY C. P. SNOW

Venice: The Rise to Empire by John Julius Norwich. Allen Lane. £7.50 319 pages.
This is the first of two volumes by Lord Norwich on the history of Venice. It is really not necessary to say much more than that the whole work will be the standard treatment in the English language...

Venetian buildings, most of which, of course, were built, added to over the centuries. Norwich seems to know every slab and stone. That will be rather more familiar to a good many English readers than his account of the Venetian constitution...

Apart from the oligarchy the rest of the population had no political power or political rights at all. This they seemed to have accepted cheerfully enough...

Fiction Coming tremors

BY MICHAEL THOMPSON-NOEL

Goodbye California by Alistair MacLean. Collins. £4.25. 318 pages.
Unless you really do know Uranium 235 from Plutonium 239, or 6.5 of the Richter scale from 7.5...



George MacDonald Fraser: Flashman in Borneo

As usual, nicely claustrophobic and very well observed. Flashman's Lady is yet another milestone in the rascally progress of everyone's favourite pookoo...

Building well

BY H. A. N. BROCKMAN

The Late Middle Ages by Wim Swaan Paul Elek. £18.00. 230 pages.
An exuberant and brilliant account of the architecture and art of the late medieval period. Illustrated with the author's own photographs...

but there are many sidelights on how social conditions were met, particularly in the Queen Anne Board Schools where very small panes were used in the windows because by so doing it was much cheaper to repair damage by burglars...

Kiss of death

Killing Time by Sandy Fawkes. Peter Owen. £4.95, 180 pages.

Sandy Fawkes was down, frustrated in an abortive attempt to trap former Vice-President Spiro Agnew in 1974 in Washington...

At last—the whole story of the stormy growth years of British hotels and catering 1878-1978

THE TIMES 1000 1977-1978

The world's leading annual industrial and financial review lists and analyses:
The Top 1000 UK Companies
Major world companies

Adventures of Aphra

BY RACHEL BILLINGTON

Ms. Duffy wants to reenter the world in Aphra Behn. It would not seem too difficult a task. Aphra Behn (or Ben or Beane) born [probably] in 1640...

THE POLITICAL HISTORY OF MONEY

A TOOL OF POWER: The Political History of Money by W. Waisley.

A comprehensive history of money from the earliest times of recorded human behaviour to the present day, which emphasizes their political considerations...

THE ARENA OF INTERNATIONAL FINANCE

FOREIGN EXCHANGE RISK

THE ARENA OF INTERNATIONAL FINANCE by C.A. Coombs, Former Senior Vice President of the Federal Reserve Bank of New York.

At last—the whole story of the stormy growth years of British hotels and catering 1878-1978

Caterer & Hotelkeeper announces a major publishing enterprise to mark its coming centenary year 'Fortune, Fame and Folly'...

Advertisement for THE TIMES 1000 1977-1978, published by TIMES BOOKS, £8.50.

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And send it today to HMSO (PMIC), FREEPOST, London EC1P 1DD (no stamp required)

The Monetary Approach to the Balance of Payments

A set of research papers written over the past 20 years by the professional staff of the International Monetary Fund...

Published today Making Sense of Finance and Accounts in Business

J. W. WALKER

Provides non-accounting personnel with an effective new method of easing themselves into a familiarity with accounts.

Bodley Head & HFL (Publishers) Ltd 9 Bow St, London WC2

Advertisement for Caterer & Hotelkeeper, CENTENARY YEAR PUBLICATION.

THE JOBS COLUMN

Financial disciplinarian for Ashley • Export strategist etc.

BY MICHAEL DIXON

"NOT AGAIN," I said to myself on seeing that the Laura Ashley group is seeking a financial controller. After all, it is less than four years since this column helped the group to find one.

So I rang up Bernard Ashley, the chairman, and asked what was going on. The answer was that John James, the previous financial controller, has now become joint managing director, and needs a recruit to take responsibility in him for his former duties, especially the maintenance of financial discipline in the privately owned group's operations in other countries.

These include separate concerns in Holland, Germany, and Belgium, and another covering France, Switzerland and Italy. Each of these four has its own managing director.

But, Mr. Ashley explained, these far-flung MD responsibilities were largely for merchandising and manufacturing. The financial control of the business, which employs 1,500 people world-wide, was exercised from headquarters at the Welsh village of Carno, some 40 miles from Stroudsburg.

The base is there because Bernard and Laura Ashley—the design director—and two of their children who are now closely involved in the design

and marketing sides of the business, like it there. Their main interest, by the way, lies more in the home furnishing products including wallpapers, than in garments. Furnishings now account for about 48 per cent of turnover.

In France particularly, Mr. Ashley said, women seem to be diverting their budgets away from bodily adornment in favour of doing up their homes. He added that, while the group's business on the Continent was generally satisfactory, it was looking for its 1978 expansion mainly in the U.K., where six new retail shops are planned, and in the U.S.

"We've been in the U.S. market for four years, and in the first three we lost money. But we're now in profit there and feel that, by comparison with the gloom in Europe, there's a good bit of slack in the States. Besides, they're so Anglophile, aren't they?"

He sees one of the main requirements of the financial controller's job as the ability to maintain full understanding in terms of real-value investment of the opportunities and problems of dealing in several different currencies. The group's cash flow involves swiftness, Swiss and French francs, and U.S. dollars as well as sterling.

Another requirement is an experience of computerised management systems which extends to a knowledge of these systems' limitations.

"We want a first class professional accountant, but that's not enough. So many accountants don't seem to be able to know all the essential things that are going on behind the figures in the computer print-out. Here it's vital that we have one who can."

The newcomer will have about 20 staff, a fair proportion of them graduates. "So, although a force ten public-school accent isn't necessary, whoever we take on will have to be well educated." And as well as being familiar with the strategic aspects of business financing and dealing with international bankers, candidates should be married.

There will be a good deal of travel from the Carno base to Europe and, it is hoped, the U.S. But Mr. Ashley considers that there will be no real need for proficiency in foreign languages. He thinks the most likely background for candidates is financial management in a very big, wise multinational concern. "Giants have lots of people to do the job we want doing, but we can only afford one—so we'd like some-

body who feels in need of the challenge."

The age indication is 30 to 40, and the salary about £9,000 (though I cannot see that as an absolute ceiling). Perks include a car, but no bonuses. Application forms from Miss M. J. Hill of the ICFC-NUMAS management consultancy (5, Victoria Street, Windsor SL4 1EZ—telephone Windsor 566331).

the recruit will be a member of the senior management group consisting of about 15 people variously responsible for trade in Western Europe, in America and Australasia, and in the rest of the world; and for services such as finance, documentation, and personnel.

Once the new manager has learned the basics about the relevant products and markets, the first main tasks are likely to be improving the quality of market research and the company's support to its agents and distributors.

Beyond that, Mr. Rodger sees a need to develop the strategic planning side of export marketing, forming co-ordinating plans to cover possible changes in the patterns and conditions of trade, and increasing TI Export's sensitivity to new opportunities and problems likely to arise for the steel tube division's products in overseas countries.

The MD thinks that, ideally, candidates should have some broad technical training, perhaps in engineering or metallurgy, and a background which has demonstrably developed the analytical skills required in industrial marketing. Some experience of international business dealings is also wanted, as

is acquaintance with forecasting, planning and budgeting, plus sales promotion and the training of marketing staff. A master of business administration degree would be an advantage.

The specialist abilities, however, must be combined with an ability to communicate with non-experts.

The age and salary indications are respectively 30 to 50, and around £7,500. Applications giving career details to David Kirk, the TI Export company secretary—who is abroad at the moment—at TI House, Five Ways, Birmingham B16 8SQ.

of nearly £80,000 largely from Arts Council, local authority, and foundation grants, but some from sales of catalogues and books.

The exhibitions which the gallery puts together from outside sources, having no collection of its own, draw an average of around 600 people on a weekday and usually between 1,300 and 1,500 on Sundays. So when a show is on, Sunday will normally be part of the administrator's five-day week.

By way of salary, Mr. Serota can only go up to this column's normal £4,000 floor price but, I am told, is closely associated to anyone willing or able to work for this sum the gallery strikes me as offering a satisfying and demanding job.

Responsible to the director, the newcomer will look after the day-to-day running of the building next to Aldgate East tube station, its staff and finances. The new appointment will bring the number of regular full- and part-time staff to nine, five years' experience in busy though an exhibitions organiser is likely to be added in the team next April. Another development expected shortly is the taking over of extra premises for a bookshop, and for educational and community use.

No age range is specified, and vector Road, London SW1V 3JZ with a total income this year

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Much travel

NOW TO a job based in Birmingham also with much travel abroad, though in this case fluency in at least one other European language is considered necessary. The post is lead of export marketing with TI Export which provides supporting services for almost all the overseas sales of the 25 companies in the Tube Investment's steel tube division.

The export company, concerned with dealings currently totalling more than £40m. a year, employs just under 300 people in the U.K. and abroad. Of these about ten will be in the newcomer's domain which, according to the company's managing director Tony Rodger, constitutes "a quite large department by industrial marketing standards."

Responsible to Mr. Rodger,

Art manager

"PUT a skeleton driving a few bats flying about," states an exhibit in the current show at the Whitechapel Art Gallery. The exhibition is devoted to the fairground and includes numerous fascinations such as elderly slint machines and those brush side-show decorations from Ghost Trains and suchlike, which are coloured like metallic fruits.

I was there to inquire about a job for an administrator being offered by Nicholas Serota, director of the gallery, which is a 78-year-old charitable trust with a total income this year

Consulting

THREE or four new consultants are wanted by Productivity and Management Services, which is a subsidiary of the MLH consultancy group which in turn, I am told, is closely associated with the Midland Bank.

The fields in which PMS principal consultant Andrew Jackson wants the extra help are industrial engineering, management development and training generally, and industrial and human relations. The preferred age range is 33 to 43, and he would like candidates at will bring the number of regular full- and part-time staff to nine, five years' experience in busy though an exhibitions organiser is likely to be added in the team next April. Another development expected shortly is the taking over of extra premises for a bookshop, and for educational and community use.

No age range is specified, and vector Road, London SW1V 3JZ with a total income this year

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Financial Analysts

Up to £6,000

Rank Xerox, one of Britain's leading companies in the field of communications and information handling systems, have recently set up their Engineering Group Headquarters in Milton Keynes.

Here in one of Britain's newest cities the Company has created a modern facility where technological development is the key. To support this important function we have a compact highly skilled team of accountants, planners and analysts all of whom are working towards the common end.

Due to internal promotion we now need Financial Analysts to analyse and interpret financial performance related data and develop control plans for management action. They will form part of a small team reporting through to the Group Director with an important role to play in assisting the decision making process. Cost and performance control are key elements in our total operation so that total involvement is assured.

The job should appeal to men or women wishing to extend their experience and who may already be part qualified or have a degree in a numerate subject.

For action please contact Jim Rockall, Personnel on Milton Keynes 316611 for an application form and information package, or write to him at Rank Xerox Engineering Group, Linford Wood, Milton Keynes MK14 6LA.

In the evenings and at weekends an answering service is available on Milton Keynes 312870.

RANK XEROX
ENGINEERING GROUP

General Manager — Contracts £10,000

Germany

For the European operations of a subsidiary of a major group, specialists in maintaining and landscaping government sites and highways. Reporting to the UK board, the person appointed will ensure the profitable operation of contracts in West Germany and will also be required to organise the expansion of operations, in Germany initially and to neighbouring countries at a later date. Candidates must have gained general management experience in contracting and speak German. Fringe benefits include car and help with accommodation. Telephone David Garton, PER, Cambridge (0223) 67282 (24-hour Answerphone service)

Chief Accountant £8,500

W. London

The subsidiary of a rapidly expanding company employing 700 personnel requires a Chief Accountant responsible for the company's fully computerised accounting system. Reporting to the Managing Director, duties include the preparation and consolidation of accounts for the ten companies within the group; conducting financial investigations; advising on taxation problems; planning external or internal audit programmes, in addition to undertaking some of the functions of Company Secretary. You should be fully qualified, preferably ACA with a minimum of five years' post-qualification experience. Comprehensive knowledge of industrial taxation planning, particularly in respect of associated and subsidiary companies, is considered essential. Telephone Adrienne Luckie, PER, London (01) 235 7030 ext. 237

Chief Accountant c. £6,500

Suffolk

Required to join a young management team in a manufacturing company who have over the last three years achieved an eightfold increase in their turnover. The company is currently integrating its financial and costing procedures and the applicant will be involved in further system development. Duties include the preparation of final, period, trading and profit and loss accounts, consolidation, credit, asset and cash control and salary administration. Overall responsibility for standard costing system is also included. The successful candidate must be qualified and have broad financial and management industrial experience. Telephone Anna Kilmarin, PER, Chelmsford (0245) 60224

Accountants c. £6,000

Surrey

Our client is the European organisation of an international manufacturing group. They require a financial and a management accountant to fill two senior posts. The Accountant (marketing) will be responsible for financial information on marketing matters; visiting sales offices at home and abroad to advise on accounting administration and systems; analysing results and advising management on profitability. The Special Projects Accountant will prepare reports and undertake non-routine investigations including appraisal of capital projects, administration of group budgets, and Price Commission returns. The successful applicants for both posts will be qualified accountants with commercial or industrial experience. The ability to work on own initiative is essential. Age 35-55. Telephone Chris Hill, PER, London (01) 235 7030 ext. 25

General Manager c. £20,000 p.a.

Nigeria

Our Client, a British Company well known in the Telecommunications field, is currently undertaking large scale contracts overseas and requires a General Manager for Nigeria. Operations in Nigeria presently consist of two established Project Organisations but the intention is that these shall form the base for a new Nigerian Company with headquarters in Lagos.

The General Manager will establish sound contacts at high levels in the Nigerian Government and also with heads of other agencies and business organisations. He will play a major role in the formation of the new company and will be required initially to take control of negotiations with the Nigerian Enterprise Board. Thereafter he will be responsible for securing an increasing share of communications contracts that this rapidly expanding economy requires.

Applications are invited from men who have had high level and successful commercial experience in one or more developing countries, have broad experience of contracting and have competence in administration and organisation. A University Degree is required, preferably in Engineering. Upper age limit approximately 50. This important post commands a negotiable package circa £20,000 p.a. plus pension, plus a furnished air-conditioned house to match the status of this post—servants, car and driver, home leave for himself and his family, all provided. Please write giving full relevant personal and experience details quoting reference GM/3913/FT on both envelope and letter. No information will be disclosed to our Client without your permission.

Urwick, Orr & Partners Limited Baylis House, Stoke Poges Lane Slough SL1 3PF

Investment Analyst

Abbey Life is seeking additional experienced staff to complement their Equity Investment Management Team. The Company needs people of graduate and/or professional status to join the team managing increased U.K. and international Equity Portfolios. Applicants should have two or more years institutional portfolio experience or the equivalent.

There are good opportunities for analytical research, the formulation of recommendations and subsequent implementation as part of a structured team where both ideas and contribution to management are positively encouraged. Readiness to accept increasing responsibility is important.

The Company offers the prospect of a progressive career with an immediate competitive salary, in accord with experience, and generous staff benefits. Please write, in strictest confidence, to Peter Chalkens, Portfolio Manager, Abbey Life Assurance Company Limited 1-3 St. Paul's Churchyard, London EC4P 4DN.

PER PROFESSIONAL and EXECUTIVE RECRUITMENT

4-5 GROSVENOR PLACE, LONDON SW1X 7SB.

Applications are welcome from both men and women.

Qualified Accountants £6-7,000

The Company is looking for two qualified accountants to join our management accounting team.

We need people with relevant experience who are fully qualified and seeking a challenging career in an expanding international business. The jobs have not been specifically defined—we believe we can fill jobs around the right people providing they demonstrate the ability to contribute to a range of demanding work.

Briefly, the work will involve the preparation of long range plans, budgeting, the development and management of systems of integrated nominal ledger and standard costing. We have another post which is primarily concerned with the operations of foreign subsidiaries, the salary for this job is about £5000.

For details of the Company, and other information, ring Mrs. C. Mansfield on 02404-4621 (reverse charges), or write to this address below.

The Radiochemical Centre

RESEARCH/INSTITUTIONAL SALES BIRMINGHAM

Well-established Birmingham stockbrokers wish to recruit a Research Analyst/Institutional Sales Executive aged 25/35.

The successful applicant should have an ability to communicate, visit companies and write reports. Previous experience desirable.

Please write giving details of your career to date, which will be treated in confidence, to—

Box No. FT/500 c/o Hanway House, Clark's Place, London EC2N 4BJ.

Deputy Company Secretary c.£7,500 Plus Car

Our client, Istock Building Products Limited, the major subsidiary of Istock Johnson Limited, has an exceptional record of success within the brick and building products industry.

Due to this continued growth, and further development of the company there is now a requirement for a Deputy Company Secretary who will be located at their Head Offices in Leicestershire.

Candidates, male or female, must have a legal background with preferably a law degree and membership of the Chartered Institute of Secretaries, and since an appointment as Company Secretary is likely to be made within about a year, substantial experience of an active corporate secretariat is essential. The preferred age range is 30-40.

The rewards are excellent and will include a salary negotiable around £7,500 p.a. plus company car, pension scheme and BUPA. Relocation costs will also be met where appropriate.

Please write in confidence to John Anderson as Advisor to the company at:

John Anderson & Associates
Norfolk House, Smallbrook Queensway, Birmingham B5 4LJ

Handwritten signature or mark.



Experienced Foreign Exchange Brokers

Charles Fulton and Company Limited, one of the largest authorised firms of international money market brokers, now have a few vacancies for experienced Foreign Exchange Brokers, especially in the following currencies: Yen, D, Marks and Guilders.

Salary negotiable.

We also have a requirement for Sterling Inter-Bank Brokers.

Write with details or phone:

David Porter for Foreign Exchange or
High Davies for Sterling Inter-Bank

Charles Fulton & Company Limited

24-40 Lindgate Hill, London EC4M 7JT
01-248 3242

Investment Services

The Scottish Amicable Life Assurance Society is seeking a person of investment management calibre for a challenging situation within their investment division. The role is a new one, and will involve the successful candidate in top level discussion with U.K. companies, pensions consultants and actuaries in a sales, service and investment environment.

Applicants will require to have a minimum of four years' practical experience of U.K. security markets ideally obtained by handling the institutional clients of stockbrokers in a financial institution or by reporting on behalf of investment managers on the portfolio performance of pension funds. Although no professional or academic qualification is necessary, the successful candidate will have a broad knowledge and understanding of economics, and will be articulate and numerate.

The situation is Glasgow-based and a willingness to travel is essential. The salary will be based on performance but will be underpinned by a minimum initial guarantee of £9,000 per annum. Also included in the package are generous mortgage facilities, a car, pension scheme etc.

For an application form please contact:

The Staff Manager
Scottish Amicable Life Assurance Society
150 St Vincent Street
Glasgow
G2 5KQ



Jonathan Wren - Banking Appointments

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EXPORT FINANCE

Our client, an international bank, seeks a very experienced Export Finance Manager to spearhead its European operations. The successful candidate will be expected to become involved in other types of lending. Travel within Europe will be a normal feature of the position and therefore a working knowledge of at least one continental language will be necessary. The successful candidate will probably be holding a senior management position already and the very attractive salary package offered will reflect the high level of responsibility attached to the position.
Contact: David Grove

MIDDLE EAST: DOCUMENTARY CREDITS

A vacancy exists for an experienced documentary credits official to manage the documentary credits department of an international bank. The position is based at the bank's Head Office in Riyadh, Saudi Arabia. Experience in opening/paying and back-to-back credits is essential. Knowledge of French an added advantage. Substantial tax-free salary will be paid and usual fringe benefits.
Contact: Norma Given

CHIEF ACCOUNTANT/COMPANY SECRETARY

An international investment bank wishes to fill the post of Chief Accountant/Company Secretary at its recently established London office. Candidates for this post will ideally be in the age range 23-28, with a good educational background ('A' levels), a professional accounting qualification, and one or two years' post-qualifying experience within a financial institution.
Contact: Sophie Clegg

170 Bishopsgate London EC2M 4LX 01-623 1266/7/8/9

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National Freight Corporation

LONDON W.1. c. £7,000

Two key vacancies arise at the Head Office of Europe's largest freight transport business comprising some sixty subsidiary companies:

ECONOMIST

To join the Corporate Planning Department, the duties of this post include monitoring and forecasting the business environment and assessing its impact on the Corporation's activities and plans; participation in developing the department's planning techniques and analysis; and the provision of advice on economic matters.

Applicants should have a good honours degree in Economics or a related discipline, together with a sound knowledge of statistical techniques. Experience of the application of computer techniques to business problems would be a distinct advantage.

FINANCIAL ANALYST

This post is in the Finance Department and the successful candidate will deal with a wide range of financial matters, including preparing reports for top management on company results, assessing company budgets and capital projects, operating a computerised cash flow control and forecasting system, and analysing varied financial topics covering the organisation as a whole.

Applicants must be fully qualified Accountants or have a university degree (or equivalent qualification) with a strong financial content.

Both positions are likely to appeal to persons in their late 20's with post-qualification experience in a business environment. Please telephone or write for application form and further particulars to:

Mr. R. A. Dyson,
NATIONAL FREIGHT CORPORATION,
215 Great Portland Street,
London W1N 4BD.
Telephones (01) 636 8668, Ext. 244

ABU DHABI INVESTMENT AUTHORITY

INVESTMENT MANAGERS

The Abu Dhabi Investment Authority requires two experienced Investment Managers to assist in its Bond and Equity Department. Candidates should be over 30 years old and should have obtained a professional qualification. They must have had at least 5 years practical experience in analysing securities and experience in managing a Bond or Equity investment portfolio, preferably both, and on an international basis. Candidates must be prepared to live in Abu Dhabi. The contract will be for a minimum of 2 years, renewable thereafter. Salary is negotiable and free of tax in Abu Dhabi. Free accommodation, transport and medical facilities will be provided. Ref. 893/FT.

CASH MANAGER

The Bond and Equity Department also requires an experienced individual to be responsible for managing deposits and short-term investments in a variety of currencies plus certain other duties with the investment portfolio management.

Candidates should be over 30 years old and should have obtained a professional qualification. They must have had at least 5 years practical experience in analysing and managing short-dated investments.

Candidates must be prepared to live in Abu Dhabi. The contract will be for a minimum of 2 years, renewable thereafter. Salary is negotiable and free of tax in Abu Dhabi. Free accommodation, transport and medical facilities will be provided. Ref. 894/FT.

INVESTMENT ANALYSTS

They also require experienced investment analysts to assist in the Bond and Equity Department. Candidates should have obtained a professional qualification and must have had at least 3 years practical experience in analysing international fixed interest and equity securities.

Candidates must be prepared to live in Abu Dhabi. The contract will be for a minimum of 2 years, renewable thereafter. Salary is negotiable and free of tax in Abu Dhabi. Free accommodation, transport allowance and medical facilities will be provided. Ref. 895/FT.

Please write or telephone for an application form, quoting the particular reference number to:

W. L. Tait,
Touche Ross & Co., Management Consultants,
4 London Wall Buildings, London, EC2M 5UJ.
Tel: 01-588 6644.

Financial Controller

North West, c.£10,000 + car

This important new appointment is within a manufacturing division of a major public group and carries with it a seat on the Divisional Board. Applicants, probably under 35 must be graduate accountants who are able to offer a background of sound industrial experience and a practical approach to financial

management. Qualities of persuasiveness, diplomacy and firmness are essential as the position carries responsibility for all factory accounting throughout a division comprising numerous units. Conditions of service and career opportunities are excellent. Relocation assistance is available.

R. D. Howgate, Ref. 27054/FT

Male or female candidates should telephone in confidence for a Personal History Form to:
MANCHESTER: 061-236 8981, Sun Life House, 3 Charlotte Street, M1 4HB.

Hoggett Bowers

Executive Selection Consultants
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Planning Research + Systems Limited

Planning Research + Systems Limited (PRS) is Britain's leading research based business consultancy, providing services to Governments and leading companies throughout the world. PRS has established a leading international consultancy market position in advice on obtaining new earnings, and industrial and automotive engines and their components. To maintain its rapid growth PRS needs to fill the following positions:

Manager, Industrial and Automotive Engines Research and Consultancy
The person appointed is required to manage this important profit centre. A good honours engineering graduate is required, preferably with an MBA and aged 25 to 30. Relevant industrial experience is essential. Consultancy experience is useful but not essential. Fluency in French and German is highly desirable. Salary with other benefits is substantial and negotiable.

Project Manager, Business Research Division
An experienced business analyst or consultant is required to project manage demanding business studies. The person appointed will be a good honours graduate with not less than five years' relevant experience, fluent in French and/or German. Salary range £5,500 to £6,500 with other benefits.

Economist
A subsidiary company, Economic Associates—a leading firm of U.K. economic consultants—requires a Development Economist. The person appointed will be a good honours graduate with not less than five years' relevant experience, particularly of water and waste disposal, urban and rural development and transport and communications. The work will involve overseas assignments, usually as a member of multi-disciplinary teams. Fluency in French and/or Spanish is desirable. Salary will be not less than £8,000, with overseas allowances and other benefits, and is negotiable.

Detailed written applications should be sent in writing to:
John Martin, Chairman
Planning Research + Systems Limited
33 Cork Street
London W1X 1HB.

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SHORT-DATED GILTS

In order to complete the re-building of our Gilts team we require a Senior Sales Executive. Applicants should have several years' experience of providing a professional service for Institutions in short-dated Government Stocks.

A fully competitive remuneration will be paid, together with non-contributory pension and other fringe benefits.

Please telephone John McGregor, Gilts Director, on 01-588 7944 or write in confidence c/o Capel-Cure Myers Limited, Bath House, Holborn Viaduct, London, EC1A 2EU.

Accountant/Secretary (Designate)

Hertfordshire c.£6,500

The ITB 1975 Pension Funds, based in Watford, is responsible for the operation of the Pension Funds covering employees of 24 participating Industrial Training Boards. The Funds current value is £20m, membership numbering 4,700.

The successful candidate will be responsible for financial planning and control, benefits administration, management of the office including staff development, preparation of special reports, and the secretarial duties associated with trustee and committee meetings.

Our Client requires a chartered accountant, aged 35-45, with a minimum of three years' experience in a line management position. A working knowledge of pensions administration and computerised systems would be advantageous.

It is envisaged that the appointed candidate would assume sole responsibility for this function in the short term.
Please contact: Dick Vernon, Luton (0582) 417562.
PER, 36 Park Street, Luton, Bedfordshire.



BANKING & FINANCE

£6,500 - £10,000 + Benefits

We urgently require applicants for a variety of roles with Mercantile, International and Consortium Banks. The vacancies include specific positions in lending, corporate finance, planning, credit analysis and internal consultancy.
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A major American Bank, with growing international interests, is seeking a chartered accountant to join its London based internal auditing team for audit work at senior level.

Applications are invited from candidates aged 25-32 who must be willing to undertake up to 25% international travel.

An excellent salary will be offered to the successful applicant, with attractive and generous fringe benefits generally associated with a first-class bank.

Candidates, male or female, should send full details of their age, education, experience and current salary to Box No. RD. 4923, c/o Exel Advertising & PR Limited, Pemberton House, East Harding Street, London E.C.4. The names of any banks to whom you do not wish your application forwarded should be printed clearly on the back of the envelope.

ACCOUNTANT

Accountant aged between 30 and 40 required to help run group private companies with view to becoming Company Secretary due course. The applicant need not be qualified but should have good knowledge of general accountancy, company law, taxation and should also be conversant with all aspects of office management. Assistance with housing can be given if required. Opportunity to join Pension Scheme after initial period. Salary commensurate with experience.

Apply in writing to:

Box A6171, Financial Times
10 Cannon Street, EC4P 4BY

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has a vacancy in its Investment Trusts department for person with institutional experience—no necessarily in the Investment Trusts market. There are excellent prospects for the right person and salary will be by negotiation.

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Financial Times
10 Cannon Street, EC4P 4BY

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If you are in the age group 25 to 35 and have 4 to 5 years of experience in salary administration and job evaluation please apply to:

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An exciting career opportunity for a young banking executive

c.£6000

We are one of the top companies in the U.K. computer services business — and also part of an international network. Our major clients include leading clearing, foreign and merchant banks and other financial institutions in the City of London who use us for a variety of computer applications including on-line foreign exchange systems, credit evaluation and financial management systems. Expansion of these services into new areas within banking creates an exceptional opportunity in our customer support team for a young, ambitious banking executive. This position involves working closely with our clients, advising them how they can make best use of our services, after-sales, training and supervising of installation. It offers a stimulating change from a mundane desk job to a more active and rewarding career. If you are the right person, we will train you extensively both in-house and in the field so that you quickly become effective on our banking team and learn how our customers

benefit from our services. We would like you to be aged 23-27, ideally with a degree, and have 3 years experience preferably within a foreign or merchant banking environment. We are particularly looking for experience of Foreign Exchange Operations, Credit Evaluation and Accounting. Some involvement with on-line computer systems would be useful. But equally important is a keen desire to change your career course and the confidence and potential to succeed in a professional marketing environment. We value your banking knowledge and will pay you a total income with commission around £6000. Our attractive benefits include Company car after the initial period of training, expenses, BUPA, pension, life assurance scheme, etc. We are a young organisation — individually and as a Company. If you are seeking a dynamic activity where personal effort is encouraged and rewarded please write to him at —

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A major British company with diverse interests in the distributive, retail and other service industries in the UK and abroad, is seeking candidates for a new appointment as Company Secretary of one of its business groups. The position calls for a Company Secretary who will participate as an integrated member of management in the business decision making process and, as such, requires a person who not only has ability and confidence in his own specialised area but is also capable of understanding the businesses in which he is operating. He or she will be responsible to the chief executive of the business group for the provision to management of legal advice on contractual, legislative and formal matters as well as on commercial matters generally, in addition to fulfilling the statutory responsibilities of a Company Secretary. Applicants, probably graduates, will be in their early 30's, will have a professional qualification, preferably legal, and will have

at least 7 years experience in a commercial or industrial environment. They should be looking for a job which will carry considerable responsibility as an accepted member of a management team and they should therefore be sufficiently self-motivated to ensure that this aspiration is achieved. The position will be located in the home counties to the north-west of London but within easy reach of London and will involve considerable travel within the UK. Salary will be negotiable around £10,000 p.a. and benefits include a non-contributory pension, company car and free health insurance. Ref. W4859/IT. REPLIES will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to which they may not be sent. They should include comprehensive career details, not refer to previous correspondence with PA and quote the reference on the envelope.

PA Advertising

Hyde Park House, 60a Knightsbridge, London SW1X 7LE. Tel: 01-235 6060 Telex: 27874



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Wellcome Senior Management Accountant

Around £8,500 + car

The Wellcome Foundation Limited is a major British-owned international pharmaceutical organisation with an outstanding Sales and Profit growth record. We seek an experienced Management Accountant to control the Finance Department of our major U.K. Research and Development site at Beckenham, Kent; and to be responsible for providing a comprehensive service for budgets, forecasts and management accounting information to senior staff in the Group's Research and Development Directorate. The successful candidate will manage an accounting team of about twenty persons and will be expected to make a significant contribution to the development of the company's financial and management accounting procedures, particularly in the area of modern methods of data processing and reporting.

Candidates should be qualified Accountants, ACA, ACMA or ACCA with sound operating experience, preferably but not necessarily in an R & D environment. Managerial and innovative skills as well as the ability to motivate and implement changes are essential. Career prospects in financial or general management are excellent and group wide. The salary is negotiable c. £8,500 plus car. Other conditions of employment will include contributory pension, excellent sports, social and dining facilities. Generous assistance will be given with any relocation expenses. Please apply, giving details of age, qualifications and experience, to the Personnel Manager, The Wellcome Research Laboratories, Langley Court, Beckenham, Kent BR3 3BS.



PA to Financial Director

Surrey

c. £6,500

Following an internal promotion, our client, a well known publishing group, seeks a young Personal Assistant to the Financial Director. Candidates with a legal, company secretarial or accounting background must possess the strength of character to work closely with managing directors and senior executives throughout the group. Your tasks, which will be varied and interesting, will involve acquisitions and disposals and assistance with general financial problems. Hence a good knowledge of commercial law is essential. Prospects for career progression are outstanding and this is an excellent opportunity to gain experience and exposure in a successful forward looking group. Contact David K. L. Tod, BSc, ACA on 01-405 3499 quoting reference DT/236/PAP.

Lloyd Management

125 High Holborn London WC1V 6QA

Meat Marketing-Middle East.

New Zealand Organisation.

SUBSTANTIAL SALARY; VEHICLE AND LOCATION ALLOWANCES

The New Zealand Meat Producers Board, which has an office in Tehran has decided to increase its representation in the Middle East by the appointment of a Marketing Executive in the Gulf area.

After an initial assessment of the market needs, he will advise the Board on how best to service the Arab speaking states. He will be responsible, through the General Manager, for developing an effective liaison with the Administrations and Traders, both existing and potential. The function will be accomplished either by the setting-up of a new office in one of the countries or by regular visits from Wellington headquarters.

The importance of representation of the Board's interests in this vital and expanding market requires that we locate and engage a man with a previous record of achievement in marketing at this level, preferably with experience in the meat industry, and ideally with some knowledge of the Middle East. These factors rather than age will be the main selection criteria.

The salary will be appropriate to the senior status of the Board's overseas representatives, and benefits and location allowances will be established for the country of domicile.

Initial enquiries and written applications which will be treated in strict confidence may be made by airmail or cable to Roy Lynch of...

Sheffield Associates Limited,
Management Consultants,
P.O. Box 27-078, Wellington, New Zealand.
Cables: Mang Wellington.

INTERNATIONAL SUGAR ORGANIZATION STOCK FINANCING FUND

Appointment of Manager

The Council of the Organization under the 1977 International Sugar Agreement due to enter into force on 1st January 1978 will require a Manager to be responsible for the administration and operation of the Stock Financing Fund. This will be a new post to the Organization.

The Manager will operate within the provisions of Chapter XIII of the 1977 International Sugar Agreement and in conformity with such rules of procedure as may be adopted by the Council. The Manager will need to possess proven skills in banking or finance as well as in administration. Fluency in spoken and written English is required. A knowledge of any of the other working languages of the Organization (French, Russian and Spanish) would be an advantage.

The grade of the post will be equivalent to that of D-1 or D-2 (according to experience) on the United Nations scale. The appointment will be made by the Council in May and the Manager will be required to take up duties at the headquarters of the International Sugar Organization in London as soon as possible after that date.

Applications with full details of career and the names of two persons to whom reference may be made should be addressed to the Executive Director, International Sugar Organization, 28 Haymarket, London, S.W.1, so as to reach him not later than 23 January 1978.

Further particulars of the duties and the conditions of appointment are obtainable on application in writing to the Executive Director.

Financial Management

The advertiser is an international one operating its own plant on two sites in the U.K. and with a Headquarters unit in South London.

As a consequence of recent promotion to the European Regional office, the need has arisen to recruit a young qualified or near qualified accountant who can be introduced into the Company as part of the management development programme. The successful candidate will report to the Chief Accountant and will be assigned investigatory and consultancy duties to familiarise him/her with Company activities.

Salary is negotiable, but is unlikely to be less than £6,000.

Those interested should write to the

Group Personnel Manager
Box A.6169, Financial Times
10, Cannon Street, EC4P 4BY

MAJOR INTERNATIONAL BANK WISHES TO APPOINT A SENIOR TRUST EXECUTIVE IN GUERNSEY

Candidates for this appointment, which is permanent, should have a professional qualification, preferably AIB (Trustee Diploma) and practical experience in Trust work at senior trust officer level. Experience in international offshore trust work an advantage.

Preferred age 35-45. An attractive remuneration package commensurate with age and experience is offered. Please send full career details to:

Box A.6162, Financial Times
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£10,000 neg.

THE GROUP

1. Retail Hot Bread Kitchens currently operating throughout the U.K. and shortly commencing in the U.S.A.
2. Biscuit manufacturing and retailing
3. International distribution of food processing plant and machinery
4. Manufacturing food processing plant and machinery in the Republic of Ireland
5. The Company is expanding rapidly with sales approaching £10,000,000. Growth since establishment in 1973 has exceeded 100% per year. It is very aggressive in the market place and requires management with capacity to absorb growth

THE JOB

This is a new appointment and the key areas of responsibility will include the following:

Financial control involving short-medium and long-term budgeting, plus preparation of cash flows

Top-level contract negotiations and liaison with legal and financial advisers

The ensuring of adequate funding to cover the expansion of Group activities at home and overseas

The provision of accurate management information within an agreed time-scale

Applicants should be 35 or over, professionally qualified, self-motivated decision-makers with experience in high-level negotiations, willing to travel overseas at short notice when necessary. The person appointed will report direct to the Board.

The Group Headquarters is in St. Albans, Hertfordshire, and re-location expenses will be met as necessary. A Company car will be provided, together with the usual fringe benefits.

THIS IS A SENIOR APPOINTMENT—IF YOU ARE EARNING LESS THAN £8,500 PA DON'T APPLY.

Applications, in strictest confidence, should be sent to: The Chairman, Mr. Don Miller, Don Miller's Hot Bread Kitchens, 71 St. Peter's Street, St. Albans, Hertfordshire. Telephone: St. Albans 69201.

MARKETING FINANCE MANAGER

Salary negotiable

This position is being newly established to ensure the company takes full advantage of market opportunities in all cases where financing arrangements can be beneficial.

The successful applicant, male or female, will be expected to improve and maintain in-house procedures affecting such financing arrangements and provide counsel and support to marketing personnel where appropriate. This latter aspect will demand, on occasion, market visits both nationally and abroad.

External links with banks, export finance houses, credit insurance brokers, and E.C.G.D. must also be strengthened and maintained.

Duties will include the review of financial terms and conditions associated with tenders and contracts including indemnities, bonds and guarantees.

Applicants should ideally have had experience of export finance in a marketing environment of this type. Serious consideration will be given, however, to persons having a deep interest in fulfilling the tasks outlined, provided overall ability and background are deemed satisfactory.

A recognized qualification in finance, commerce or business management is desirable but not essential.

Conditions of employment include four weeks' annual holiday, contributory pension and life insurance scheme and assistance towards relocation expenses where appropriate.

Please write or telephone for an application form to the U.K. Personnel Managers.

Stone-Platt Pumps Ltd.

P.O. Box 2, Luton, Beds. Tel. Luton 31144 Ext. 95

Financial Director

Commercial Vehicle Distribution

* The Scotts of Nottingham group is fast-growing and profitable (turnover in excess of £11 millions) with companies having Seddon-Atkinson, ERF and Mercedes-Benz franchises.

* You will be fully responsible for accounting and financial management across all ten locations, each with its own sales, repair and parts supply operation.

* You will be a qualified accountant with a record of success in a similar director or controller role.

* Salary, plus car and other benefits will match the responsibility. Location is Nottingham.

Send brief but comprehensive details of career and salary to date in confidence to:

Peter Manley, Group Financial Director,
National Carbonising Company Limited, Fullarton Lodge,
Crow Hill Drive, MANSFIELD, Notts. NG19 7AZ



CAYMAN ISLANDS

TRUST OFFICER

A leading Trust Company has an opening for a Trust Officer at its offices in George Town, Cayman Islands. Candidates must have at least ten years trustee experience and preferably hold a Trustee Diploma. Commencing salary will be in excess of £9,000, tax free, with other benefits including Medical Scheme, Pension Plan and Group Life Insurance. Four weeks annual leave with fares paid to the United Kingdom.

Interviews will be arranged in London, Edinburgh and Belfast but in the first instance applicants should write by air mail giving full details of experience and qualifications to:

THE MANAGER
THE BANK OF NOVA SCOTIA TRUST COMPANY (CAYMAN) LIMITED,
P.O. BOX 501, GRAND CAYMAN, B.W.I.

London STOCKBROKERS

require for general office

ASSISTANT MANAGER

Write with full details, salary, etc., to Box A.6172, Financial Times, 10, Cannon Street, EC4P 4BY.

BANK RECONCILIATIONS

with supervisory experience
Salary £4,500-£5,000

Quill's Employment Agency Ltd.,
5 Broad Street Place, E.C.4
Mrs. Hicks 638 0828
Mrs. Howell

APPOINTMENTS WANTED

Mature, Successful PUBLIC RELATIONS DIRECTOR

Currently with medium-sized agency would appreciate right opportunity leaving agency work to join another organization. Prepared to take on professional, substantial role in side agency or originate first-rate public relations department. Well known in profession with well established working contacts in all areas. Write Box A.6167, Financial Times, 10, Cannon Street, EC4P 4BY.

WANTED

Successful and experienced trader under 35 years of age requires challenging and high remunerative position with progressive and established House. Write Box A.6177, Financial Times, 10 Cannon Street, EC4P 4BY.

July 1980

NATIONAL ELECTRIC POWER AUTHORITY

VACANCIES

The National Electric Power Authority, a Nigerian Public Utility, responsible for generation, transmission and distribution of electricity to all parts of the country requires protection, control and metering instructors for its Training Centre at Kainji in Nigeria.

Applicant should possess a good University degree in Electrical/Electronic Engineering or an equivalent professional qualification, and must have registered or be registerable with a recognised Professional Engineering Association such as the Council of Registered Engineers of Nigeria (COREN). In addition, he must have acquired a minimum of three years' post-qualification experience in the Protection, Control and Metering Field in a power utility, a major manufacturing company or similar concern.

Applicants holding the Higher Diploma/Certificate in Electrical/Electronic Engineering with a minimum of five years' post-qualification experience in protection, control and metering will also be considered. Those with lesser experience may be considered for appointment as Assistant Instructors.

The successful applicants will be responsible for developing courses, writing instructions on new and existing equipment, and actually instructing both in the classroom and laboratory. They will also be expected to work in the field with support groups from time to time.

Attractive salaries commensurate with qualifications and experience as well as generous fringe benefits will be offered to the right candidates.

Interested person should forward his curriculum vitae (in duplicate) containing his full names, age, marital status, nationality, qualifications indicating dates obtained, specialised training, if any, work experience showing periods, present appointment with date of entry, and other useful pieces of information to the Director of Personnel, National Electric Power Authority Headquarters, 24/25 Marina, Lagos, Nigeria, to reach him not later than Friday, 23rd December, 1977. Copies of relevant certificates must be attached.

J. A. ROW,
Director of Personnel

External Advert No. 24/77
14th November, 1977.

STATE GOLD MINING CORPORATION
(HEADQUARTERS-TARKWA, GHANA)

FINANCIAL CONTROLLER

Applications are invited from suitably qualified Ghanaians to fill the post of Financial Controller at the Headquarters of the Corporation at Tarkwa, Ghana.

- (a) **QUALIFICATIONS:** A.C.A., A.C.C.A. or A.C.M.A. with at least 5 years' post qualification experience in industry.
- (b) **DUTIES:** The person appointed will be directly responsible to the Managing Director. His duties will include day-to-day supervision and co-ordination of the work of the Chief Accountant at the various mine sites of the Corporation. He will be responsible for financial reports to the Board, control of procedures and regular budget and cash forecasts.
- (c) **SALARY:** Negotiable but very attractive.
- (d) **ACCOMMODATION:** Free accommodation includes: hard furnishing, electricity, water, refrigerator and cooker. Free medical attention in Corporation hospitals (including specialist and dental treatment). Subsidised Concessions. Adequate social and sporting facilities - Club, Cinema, Golf, Swimming, Tennis.

(1) Social Security Fund: 5% (Employee); 12% (Employer).
(ii) 28 working days leave after every year of 12 months.

Application forms and further information may be obtained through:
The Overseas Representative,
State Gold Mining Corporation (Ghana),
Bank House,
North-East Wing,
Aldwych,
London, W.C2

CHIEF ACCOUNTANT

This is an opportunity for someone in their late 20s with Management Accounting background to be responsible for the accounting service within a very fast-moving environment.

The successful candidate will possess the potential to progress within the group. In addition to required commercial acumen and technical skills, knowledge of E.D.P. systems would be an added advantage.

In addition to an attractive commencing salary, we offer four weeks' holiday per annum, company bonus and pension schemes, LVs and staff purchasing facilities.

Applications to:
C. J. Ryan,
Personnel Manager,
Phonogram Limited,
120 Park Street,
London W1Y 3FA.



Director of Applied Econometrics Service

The Cambridge Growth Project is expecting to set up a company based in Cambridge serving government and private sector users of the Project's multisectional dynamic model of the U.K. economy. The Project is looking for someone to be the first Director of the company.

Candidates should combine entrepreneurial skills with expertise in economic forecasting and the preparation of reports.

The job would call for initiative and responsibility as well as an ability to work with others. Salary: around £9,500 plus performance-related bonuses. Starting date: 1 April 1978 or as soon as possible thereafter. Applications by: 16 January 1978.

Dr. T. S. Barker, Department of Applied Economics,
Sidgwick Avenue, Cambridge CB3 2DE. Tel: 0223-58944.

Investigations Accountant

c. £6500

with Overseas Travel

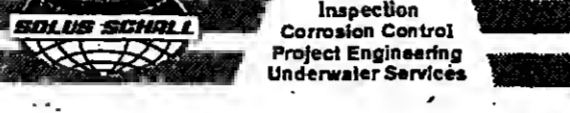
With the rapid expansion of our business, which involves providing specialised services to the oil, gas and construction industries worldwide, we now wish to appoint an Investigations Accountant at our Hounslow headquarters.

The man or woman appointed will be responsible for a wide range of complex international finance and accounting work including systems development and implementation, budgets and liaison with overseas management which will entail some overseas travel.

The appointment calls for a qualified Accountant, aged 27-32, with the experience and ability to influence rather than direct business strategy.

Initial salary will be around £6,500 per annum with attractive benefits and excellent future career prospects.

Write to M. W. Newby, Personnel and Administrative Manager, Solus Scheel, Anabelle House, 28 Staines Road, Hounslow, Middlesex TW3 3JS.



Chief Accountant
City £9,000+

A wholly owned subsidiary of the Trustee Savings Banks Central Board, Central Trustee Savings Bank was established in 1973 to provide Clearing, Banking and investment facilities to the Trustee Savings Banks. A reorganisation of the administration of the Bank, to meet the expected rapid growth of the next five years, has led to this appointment.

The Chief Accountant will be expected to take early responsibility for the entire accounting function. He or she will be responsible for financial and management accounting, taxation and accounting systems and will be assisted in this by a small highly qualified team.

A major review of the Bank's systems will shortly be carried out, making greater use of the existing main frame and mini-computers and the Chief Accountant will be closely involved in this.

Applicants must be professionally qualified, aged 33-40 and have had previous banking experience, with a systems bias. A knowledge of foreign exchange is essential.

A salary of not less than £9,000 is envisaged and benefits include a comprehensive non-contributory pension scheme and a mortgage subsidy scheme.

Will applicants please write giving full details to:
D. L. Andrew, Assistant General Manager,
Central Trustee Savings Bank Limited,
PO Box 99, 3 Gracechurch Street, London EC3P 3BX



Albank Alsaudi Alhollandi
affiliated to
Algemene Bank Nederland nv
has a vacancy for an experienced

CHIEF FOREIGN EXCHANGE DEALER

for their Overseas Operations in Jeddah

Generous remuneration and leave terms. Applications in writing are invited from individuals with at least 4 years experience in a similar capacity.

Curriculum Vitae should be accompanied by a Passport photograph and forwarded to:

P.O. BOX 503, LONDON, EC2P 2HH.

PENSION SCHEMES MANAGER

The Pension Schemes of the Westminster Press group of newspaper and printing businesses are seeking a Manager. Westminster Press has 22 divisions and companies in England and Scotland employing over 7,000 people of whom a total of about 4,000 are members of its three self-administered Pension Schemes. The Funds of the Schemes are invested with the help and control of professional advisers, subject to the decisions of the Trustees. It is intended that the two main schemes be contracted-out of the new State pension scheme next April.

There is a small pensions team in the London offices of Westminster Press Limited for the maintenance of membership records, the calculation and payment of benefits, the collection of contributions, accounting requirements and the preparation of financial and statistical reports for the boards of the Trustee companies.

The Manager will be responsible to the Trustees not only for the proper administration and running of the Schemes and the London pensions office but for informing the members regularly about the conduct, progress and state of the Funds and the Schemes generally. He or she will also be required to advise and assist the general management of Westminster Press on matters of pension policy.

The salary will be attractive and competitive for the person with the experience, ability and personality needed for the post.

Please apply in writing with details of age, education, qualifications and career to date, including current salary, to:
C. F. Dawson, Director and Secretary,
WESTMINSTER PRESS LIMITED,
Newspaper House,
8-16 Great New Street, London, EC4,
who will treat all replies in confidence.

Investment Analysts up to £8,200
Analysis are required by established stockbrokers to specialise in insurance, securities and all. Experience, possibly in the industry itself, is essential.

Institutional Sales c. £10,000
An opportunity for someone with experience or knowledge of this field to further their career and enjoy substantial earnings. There is also a junior appointment for someone bright, with relevant experience, to train on sales.

Corporate Banking up to £5,500
City-based bank wishes to recruit a young graduate, with banking or relevant financial experience, to join corporate lending department. Excellent prospects.

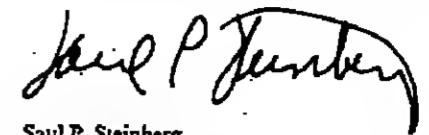
ALL ENQUIRIES ARE TREATED IN THE STRICTEST CONFIDENCE

Telephone or send career details to Stephen Strickland,
J. Farrerhouse Ltd., 7 Grosvenor Street, E.C.2, Tel: 01-267 2201.

JFL RECRUITMENT CONSULTANTS

Record revenues and earnings marked both the third quarter and nine-month period, reflecting substantial strength in the major facets of our business. Property and casualty insurance, title insurance, and container leasing

all contributed to the increase in operating income, after taxes, of 48 percent for the third quarter and 276 percent for the nine-month period as compared with last year's figures.



Saul P. Steinberg
Chairman and President
Reliance Group, Incorporated

Reliance Group, Incorporated and Subsidiaries
Financial Highlights

	Quarter Ended September 30		Nine Months Ended September 30	
	1977	1976	1977	1976
Revenues	\$304,035,000	\$259,655,000	\$847,555,000	\$715,750,000
Operating income after taxes	\$ 14,476,000	\$ 9,788,000	\$ 38,341,000	\$ 10,200,000
Net realized gain on insurance investments after taxes	933,000	2,650,000	3,742,000	9,579,000
Income after taxes, before extraordinary income	15,409,000	12,438,000	42,083,000	19,779,000
Extraordinary income(1)	7,720,000	1,131,000	23,164,000	4,106,000
Net income after taxes	\$ 23,129,000	\$ 13,569,000	\$ 65,247,000	\$ 23,885,000

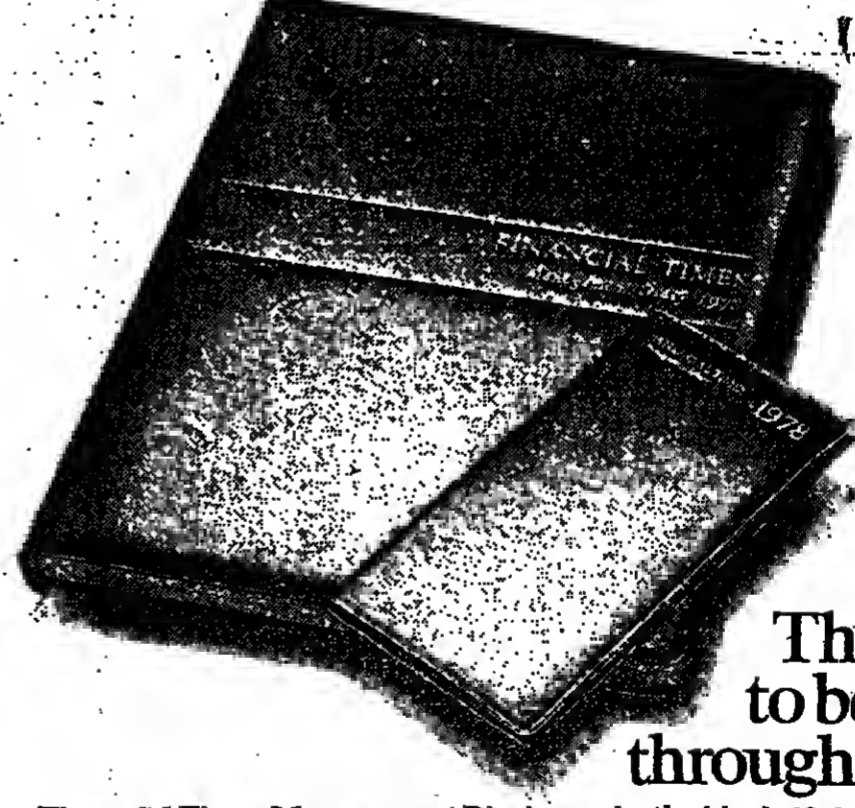
Per-Share Information

Operating income after taxes	\$1.65	\$1.08	\$4.31	\$.65
Net realized gain on insurance investments after taxes	.12	.36	.49	1.31
Income after taxes, before extraordinary income	1.77	1.44	4.80	1.96
Extraordinary income(1)	1.00	.15	3.03	.56
Net income after taxes	\$2.77	\$1.59	\$7.83	\$2.52

(1) Extraordinary income resulted from the utilization of tax loss carryovers.

(2) Per-share computations are after deduction of dividend requirements on the Series C Preferred Stock.

FINANCIAL TIMES MANAGEMENT DIARIES



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Financial Times Management Diaries make the ideal gift for your business associates, anywhere in the world. They set the highest standards in book design, production, information, presentation and craftsmanship.

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Handsome bound in luxurious black calf leather at £13.98 each* or elegant black leather cloth at £7.51 each*. FT Desk Diaries contain 92 pages of information, including 48 pages of full-colour maps, and generous space for appointments on each of the week-at-a-glance double-page spreads. Among the useful items of information are metric conversion tables, a 6-page business vocabulary in English, French and German, a comprehensive directory of sources of information in Europe, a calendar which looks forward to the year 2000, charts and graphs for business analysis and world time and temperature zone maps.

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Simple, convenient and bound in calf leather with gilt metal corners. The FT Pocket Diary is a perfect planning aid, providing ample space for appointments, addresses and notes. Other features include a year planner, worldwide sources of business information, and details of Inter-City train services and hotels throughout Europe. At £4.16 each* these Pocket Diaries are exceptional value for money.

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I like the idea of FT Management Diaries as gifts for my business associates. Please send me your order form, without delay.

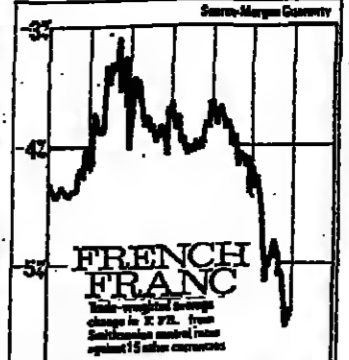
Name: _____
Position: _____
Company: _____
Address: _____
Telephone: _____ Date: _____

Index rallies 2.4 on bargain hunting Dollar firmer

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Nov. 30.

The U.S. dollar continued to gain ground in foreign exchange markets yesterday, and the change sterling also improved...



BARGAIN HUNTERS halted a fresh initial slide on Wall Street today, turning stocks upward to leave no gains slightly in the majority after moderate activity...

Tax cuts are expected in 1978, and that some of the more comprehensive aspects of tax reform will be delayed. He also assured the business community that if Federal Reserve Board Chairman Burns is replaced, his replacement would have to be of the confidence of the business community...

GERMANY-Shares put on another mixed performance in dull trading with major investors in a year-end position closing taking place. Deutsche Bank, on higher terms, was the only one to rise...

SPAIN-Market remained depressed with the General Index losing 0.88 more to 44.96. Astana, however, gained 1.30 points to 105.50. JOHANNESBURG-Gold shares were generally higher, although some issues closed below the day's best levels...

GOLD MARKET

Table of gold prices, including London, New York, and other international locations. Columns include location, price, and date.

FOREIGN EXCHANGES

Table of foreign exchange rates for various currencies, including the dollar, franc, and pound. Columns include currency name, rate, and date.

WEDNESDAY'S ACTIVE STOCKS. Table showing stock prices and changes for various companies like Amstar, Allied Chemical, and others.

AMERICAN SE Market Value Index closed 0.4 higher at 122.57. Table listing various stocks and their performance.

TOKYO-Market moved further ahead over a wide front following the 40 cent yen decline and the hopes of a fresh reflationary package. The Market Average gained 57.53 to 4,538.93.

CURRENCY RATES. Table showing current exchange rates for major currencies like the dollar, franc, and pound.

OTHER MARKETS

Table listing prices for various commodities and other market instruments.

OTHER MARKETS

Canada good Canadian Stock Markets closed in good form yesterday following further active trading.

At his press conference, President Carter stated that substantial...

Indice

NEW YORK - DOW JONES. Table showing the Dow Jones index and other market indicators.

Indice

Table showing various market indices and their performance.

EXCHANGE CROSS-RATES

Table showing cross-currency exchange rates between major currencies.

STANDARD AND POORS

Table showing Standard and Poors indices for various sectors like Industrials, Chemicals, and Finance.

MONTEREAL

Table showing Montreal market data and stock prices.

TORONTO

Table showing Toronto market data and stock prices.

EURO-CURRENCY INTEREST RATES*

Table showing interest rates for various Euro-currency deposits and loans.

FORWARD RATES

Table showing forward exchange rates for major currencies.

OVERSEAS SHARE INFORMATION

NEW YORK

Large table listing various overseas stock prices and market data for the New York market.

Investment premium based on \$2.60 per share - 98%

Table listing investment premium information for various overseas stocks.

CANADA

Table listing various Canadian stock prices and market data.

TOKYO 1

Table listing Japanese stock prices and market indicators.

AMSTERDAM

Table listing Dutch stock prices and market data.

COPENHAGEN

Table listing Danish stock prices and market data.

MILAN

Table listing Italian stock prices and market data.

AUSTRALIA

Table listing Australian stock prices and market data.

BRASIL

Table listing Brazilian stock prices and market data.

JOHANNESBURG

Table listing South African stock prices and market data.

OSLO

Table listing Norwegian stock prices and market data.

PARIS

Table listing French stock prices and market data.

STOCKHOLM

Table listing Swedish stock prices and market data.

SWITZERLAND

Table listing Swiss stock prices and market data.

Handwritten signature 'John F. O'Sullivan' in the bottom right corner.

FARMING AND RAW MATERIALS



World food output disappoints

ROME, Nov. 30. THE INCREASE in world food production is falling behind the rise in population, after good harvests in 1976 and last year. The UN Food and Agriculture Organisation (FAO) says that progress has been made in rice and other major developing regions, creating a widening gap between the Third World and industrialised countries.

Britain's grain crop is record 17.1m. tonnes

BRITISH grain production has topped 17m. tonnes for the first time ever. This year's bumper crop of 17.1m. tonnes of milled grain is 28 per cent up on last year and beats the previous record of 1974 by 600,000 tonnes, or 4 per cent, says the Home-Grown Cereals Authority. Human and industrial use of grain in 1977-78 is expected to be slightly below last year's level and a significant reduction is expected in use for animal feed. But imports are expected to be sharply lower and exports should be at a high level.

Isoglucose plant to close soon

AMSTERDAM, Nov. 30. PRODUCTION of maize-based isoglucose or high fructose syrup will be stopped at Koninklijke Scholten-Hoening NV's plant on January 1. The company has stopped building a 100,000 tonne capacity factory at Tilbury, England, and also shelved plans to expand in Holland following its failure to secure an EEC decision in principle on isoglucose. The company did not give the capacity of the plant at Keeg Aan de Zaan near Amsterdam but industry sources put it at 20,000 tonnes a year.

Machinery makers feel the pinch

A YEAR AGO most U.K. manufacturers of farm machinery were quipping delays of six months or more. To-day models are obtainable straight from the showroom and dealers are quoting big discounts for list prices in secure business. Several factors have contributed to this. There have been fewer strikes and go-slows in tractor factories in recent months and manufacturing capability has been closer to optimum. Suppliers of imported machinery who took advantage of a number of years of British manufacturers' inability to deliver on time have consolidated their hold on the market. Prices of practically all makes of tractors have been raised by percentages ranging from 10 to 20 per cent, virtually twice three or four months. Compounded, these have amounted to a powerful disincentive for potential purchasers.

Japan plans to cut tariffs

TOKYO, Nov. 30. JAPAN PLANS to cut import tariffs on some agricultural products, Yoshitake Uchiumura, vice Minister of Agriculture, said here. Liberalisation will not be easy because Japan's food self-sufficiency is falling and rice growers have been asked by the government to diversify to other agricultural products because of a number of rice crops since 1970, he said. Mr. Uchiumura said the Ministry is studying which agricultural tariffs could be cut within the framework of a provision of GATT. Imports of agricultural products increased to \$17.6bn. last year from \$16.5bn. in 1976 and as a result the rate of food self-sufficiency had dropped to 70 per cent from 80 per cent in the 1960s, he said.

Ministry says 'no' to potato aid

THE MINISTRY OF Agriculture has refused to allow the Potato Marketing Board to resume its support buying operations, even though farmers are still earning only around £30 a tonne for their crops, compared with the guaranteed price of £45.75. A delegation from the Board this week was also refused permission to refund some of the surplus, already held under contract, on to the pigfeed market. The Board went to the Ministry to try to find some means of pushing up market returns to potato growers. If prices do not improve, it could lead to a loss of £100 million, the Eschequer landed with a sizeable bill at the end of the season when it comes to comparing the guarantee. But the Ministry, fearful as ever of doing anything to increase food prices and damage the export market, insisted that the Board should hold on to a little longer. The Board, which stands by its original claim that the price should be no more than a "margin" of 10 per cent above the market price, says it is holding out for £45.75, which is the price it received in 1975 and last year, they are still running at an annual rate of only 85 kilos a head. Although all the figures appear to support the Board's contention that there should be only a "margin" of 10 per cent above the market price, the Board is refusing to accept this. There are fears about heavy "dumping" in the winter by the French and other Common Market "invaders" but for the time being the main depressing factor still appears to be the apparent lack of concern among growers about the quality of potatoes sent to market. The Board comments in its latest market report that "only the best-presented samples move steadily". Markets in general are oversupplied, and although some growers are reportedly earning more than £50 a tonne, many are going home with almost £20 a tonne less than this.

Food meeting in Mexico

The 36-nation World Food Council will hold its fourth ministerial meeting in Mexico City in June next year. The meeting will discuss the world food situation and the need for increased international co-operation. The meeting will be held in Mexico City in June next year. The meeting will discuss the world food situation and the need for increased international co-operation. The meeting will be held in Mexico City in June next year.

London sugar prices up

By Our Commodities Staff. FUTURES PRICES for sugar picked up again on the London market yesterday, providing further evidence that the trade believes it has seen the worst of the pre-Christmas rush to sell. Major producers appear to have cleared their stores in preparation for the new International Sugar Agreement, due to come into force on January 1. The price of raw sugar was unchanged at £104 a tonne, but March and May prices rose by almost £2.50 each to close at £123.25 and £129.50 a tonne.

Paris market

The Paris Commodities Exchange is expected to work normally to-day despite a 24-hour strike against the Government's anti-inflation policy. The market is expected to be active, with prices for most commodities showing some volatility. The exchange is expected to be open for a full day, despite the strike.

U.K. FARM SPENDING

U.K. FARM SPENDING on machinery and equipment has risen sharply in recent years, reflecting the need for modernisation and efficiency. The industry is expected to continue to invest heavily in new technologies and equipment to improve productivity and reduce costs. This trend is likely to continue in the coming years as farmers seek to remain competitive in a global market.

Farm loan interest reduced

By Our Commodities Staff. MANY FARMERS will be paying less interest on their capital loans from to-day following a cut in the rates charged by the Agricultural Mortgage Corporation. The rate has been reduced from 12 per cent to 11 per cent, which will result in significant savings for many farmers. This move is expected to encourage investment in the agricultural sector.

Tractor sales set to fall

ONE OF Britain's leading farm tractor manufacturers expects a sharp fall in sales next year. Farmers' purchases are beginning to slip behind last year's boom levels. Mr. G. Tiplady, executive director of the Ford tractor division, said that last year British farmers spent much of their bumper profits from potatoes and other crops on new machinery, including 88,000 tractors. But, he said, purchases next year would probably slip back to more "normal" levels, around 33,000. In the first 10 months of this year, sales were running 1,000 vehicles behind last year's rate. Mr. Tiplady, speaking in London, claimed however, that Ford was winning a bigger slice of the British market. Last year's figure of 27 per cent had increased to 32.4 per cent. Exports have also improved. Shipments of tractors, components and parts in 1977 were worth \$110m. This climbed more than 40 per cent to £157m. last year, and in the first 10 months this year exports had risen again to more than £163m. Mr. Tiplady complained about the severity of the proliferation of regulations and requirements complicating the tractor makers' engineering process and increasing the cost of the finished product. Sound damping alone added more than £1,000 to the end price of an average farm tractor.

COMMODITY MARKET REPORTS AND PRICES. Table with columns for various commodities like Copper, Tin, Zinc, Lead, Silver, Gold, etc., and their respective prices.

FINANCIAL TIMES Commodities Appointments. On every Thursday, from 19th January 1978, look out for the Financial Times Commodities Appointments section - just part of our regular Thursday appointments column. For details of advertising in this new section contact: Steve Nevitt or Mike Hills on 01-248 8000, ext. 591 or 558.

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER. You can make money on the BEAR MARKET TREND. The reason why investors in 31 different countries subscribe to our weekly commodities, metals and currencies service. Other reasons could be the detailed charts, or the leading indicators or the specific interpretations - just some of the reasons why our service pays for itself over and over again.

PRICE CHANGES. U.S. Markets. Table showing price changes for various commodities and U.S. market data. Includes sections for Metals, Grains, Wool, etc.

LEGAL NOTICES. NOTICE BY HERBERT GREEN, that a petition for the winding up of the above-named Company by the High Court of Justice, was made on the 28th day of November 1977, presented to the said Court by the Commercial Union Assurance Company Limited, whose registered office is situated at 15, Abchurch Lane, London, EC4A 3DF, and that the said petition is directed to be heard at the Court on the 19th day of January 1978, at 11 o'clock in the forenoon, at which time the said petition will be read and the Court will be asked to make an order for the winding up of the said Company.

STOCK EXCHANGE REPORT

Short Gilts feature on signal for unchanged MLR
Share index up 6.9 for two-day rally of 16.5 at 481.0

Account Dealing Dates
Optimism
First Declars. Last Account
Dealings Declars. Last Account

by the more speculative element.
Losses were quickly erased.
Development which sympathetic

added 4 at 280p and Barratt
Developments 3 at 107p.
ICI picked up from an uncer-

dearer at 200p and United Biscuit.
were 4 up at 132p. Nadin and
Peacock met with support and

Yesterday's signal from the
Bank of England that it was
opposed to a further increase

at the end of the day, the shorts
were showing gains of 1 1/2 on
balance, while the longs were

A nervous market at 111p in
front of the preliminary results.
MEPC rallied strongly on the

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Leading equities closed at, or
near, the day's best with leading
issues ending with gains to 6 and

Routine business in investment
currency included sporadic offer-

British Petroleum were quietly
firm in front of today's inter-

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As on Tuesday, business was
extremely thin and official mar-

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Gilts dramatic
Events in British Funds were
quite dramatic with quotations

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FINANCIAL TIMES STOCK INDICES

Table of Financial Times Stock Indices with columns for various indices like Government Sec., Fixed Interest, Industrial Ordinary, etc.

HIGHS AND LOWS S.E. ACTIVITY

Table showing Highs and Lows for various stock indices and S.E. Activity.

OPTIONS TRADED

Table detailing options traded, including DEALING DATES and associated companies.

NEW HIGHS AND LOWS FOR 1977

Table listing new highs and lows for 1977 across various stock categories.

MONTHLY AVERAGES OF STOCK INDICES

Table showing monthly averages for various stock indices over the year.

FT-ACTUARIES SHARE INDICES

Table of FT-Actuaries Share Indices, categorized by EQUITIES, FIXED INTEREST STOCKS, and ACTIVE STOCKS.

CYCLONE DEVASTATION IN INDIA
We need your help
An appeal has been made for immediate aid to the victims of the Indian cyclone which devastated an area of 20,000 square miles.

RECENT ISSUES
EQUITIES
FIXED INTEREST STOCKS
"RIGHTS" OFFERS
ACTIVE STOCKS

APOLLO
THE WORLD'S LEADING MAGAZINE OF ARTS AND ANTIQUES

RECENT ISSUES
EQUITIES
FIXED INTEREST STOCKS
"RIGHTS" OFFERS
ACTIVE STOCKS

FT-ACTUARIES SHARE INDICES
These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries.

AUTHORISED UNIT TRUSTS

Table of authorised unit trusts including Abbey Unit Tr. Mgrs. Ltd., Allied Home Group, Arbutus Securities Ltd., Barclays Unit Mgrs. Ltd., and many others with columns for fund names, managers, and performance metrics.

CLIVE INVESTMENTS LIMITED
Index Fixed at 22nd November, 1977 (Base 100 at 14.1.77)
Clive Fixed Interest Capital 130.81
Clive Fixed Interest Income 123.14

CORAL INDEX: Close 477-483

INSURANCE BASE RATES
Property Growth 6 1/2%
Caravan Assurance 6 1/2%
* Add shown under Insurance and Property Bond Table.

BASE LENDING RATES table listing various banks and their interest rates for different types of loans and deposits.

LEADERS AND LAGGARDS

Table comparing the performance of various stock indices and sectors, identifying leaders and laggards.

OFFSHORE AND OVERSEAS FUNDS

Table of offshore and overseas funds including Arbuthnot Securities (C.I.) Limited, Fidelity Mgmt. & Res. (Bdms) Ltd., and many others with columns for fund names, managers, and performance metrics.

INSURANCE, PROPERTY, BONDS

Large table listing various insurance, property, and bond products from companies like Abbey Life Assurance Co. Ltd., Credit & Commerce Insurance, and many others.

NOTES
Please do not include 5% premium, except where indicated...



INDUSTRIALS—Continued

INSURANCE—Continued

PROPERTY—Continued

INV. TRUSTS—Continued

FINANCE, LAND—Continued

NEW JAPAN SECURITIES Tokyo, Japan London Branch Frankfurt Office Tel. 066 6781-8 Fax 69929

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists various industrial companies like Anglo American, Anglo Siam, Anglo Irish, etc.

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists insurance companies like Abbey Prudential, Alliance Assurance, etc.

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists property-related companies like Anglo Irish, Anglo Siam, etc.

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists investment trusts like Anglo Siam, Anglo Irish, etc.

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists finance and land-related companies like Anglo Siam, Anglo Irish, etc.

MINES—Continued

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists various mining companies like Anglo Siam, Anglo Irish, etc.

AUSTRALIAN

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists Australian companies like Anglo Siam, Anglo Irish, etc.

COPPER

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists copper-related companies like Anglo Siam, Anglo Irish, etc.

MISCELLANEOUS

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists miscellaneous companies like Anglo Siam, Anglo Irish, etc.

NOTES

Notes section containing various financial notices and announcements regarding company shares and dividends.

TEAS

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists tea-related companies like Anglo Siam, Anglo Irish, etc.

INDIA AND BANGLADESH

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists companies from India and Bangladesh like Anglo Siam, Anglo Irish, etc.

SRI LANKA

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists companies from Sri Lanka like Anglo Siam, Anglo Irish, etc.

AFRICA

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists companies from Africa like Anglo Siam, Anglo Irish, etc.

MINES CENTRAL RAND

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists central rand mining companies like Anglo Siam, Anglo Irish, etc.

EASTERN RAND

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists eastern rand mining companies like Anglo Siam, Anglo Irish, etc.

FAR WEST RAND

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists far west rand mining companies like Anglo Siam, Anglo Irish, etc.

Abbreviations: st = dividend; w = write; ex = ex-rights; wst = all; d = capital distribution.

NEWSPAPERS, PUBLISHERS

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists newspaper and publishing companies like Anglo Siam, Anglo Irish, etc.

PAPER, PRINTING, ADVERTISING

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists paper, printing, and advertising companies like Anglo Siam, Anglo Irish, etc.

MOTORS, AIRCRAFT TRADES

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists motor and aircraft trade companies like Anglo Siam, Anglo Irish, etc.

PROPERTY

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists property-related companies like Anglo Siam, Anglo Irish, etc.

SHIPBUILDERS, REPAIRERS

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists shipbuilding and repair companies like Anglo Siam, Anglo Irish, etc.

SHIPPING

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists shipping companies like Anglo Siam, Anglo Irish, etc.

SHOES AND LEATHER

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists shoe and leather companies like Anglo Siam, Anglo Irish, etc.

SOUTH AFRICANS

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists South African companies like Anglo Siam, Anglo Irish, etc.

OVERSEAS TRADERS

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists overseas trading companies like Anglo Siam, Anglo Irish, etc.

RUBBERS AND SISALS

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists rubber and sisal companies like Anglo Siam, Anglo Irish, etc.

REGIONAL MARKETS

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists regional market data for various areas like London, New York, etc.

DIAMOND AND PLATINUM

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists diamond and platinum companies like Anglo Siam, Anglo Irish, etc.

INSURANCE

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists insurance companies like Anglo Siam, Anglo Irish, etc.

PROPERTY

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists property-related companies like Anglo Siam, Anglo Irish, etc.

TRUSTS, FINANCE, LAND

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists trusts, finance, and land companies like Anglo Siam, Anglo Irish, etc.

FINANCE, LAND, ETC.

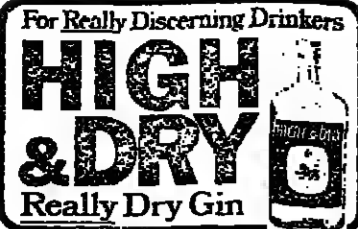
Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists finance, land, and other companies like Anglo Siam, Anglo Irish, etc.

FINANCE

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists finance companies like Anglo Siam, Anglo Irish, etc.

OPTIONS 3-month Call Rates

Table with columns: Stock, Price, % Chg, Div, Yld, etc. Lists options and 3-month call rates for various companies and markets.



Fire officers appeal to Prime Minister

BY ALAN PIKE, LABOUR CORRESPONDENT

FIRE OFFICERS yesterday appealed to the Prime Minister to seek an urgent solution to the national firemen's strike...

Carter advised to under-pin steel industry

BY JOHN WYLES

NEW YORK, Nov. 30.

SWEEPING proposals aimed at strengthening the U.S. steel industry's financial base were offered...

Growth continues at Rothmans

THE LEX COLUMN

Last week the Bank of England was relying on "market forces" to set the level of Minimum Lending Rate...

The tobacco industry's gamble with substitute materials has proved a costly disaster and the U.K. price war is as fierce as ever...

Road hauliers drop scale of charges

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

THE ROAD Haulage Association yesterday became the first major trade association in the service sector publicly to drop its scale of recommended charges...

Bank steps in to peg lending rate

By Michael Stenden

THE BANK OF ENGLAND yesterday stepped in to prevent its minimum lending rate from rising again...

Dumping

The main tool for achieving what would be a reference price system which would lead to Government complaints about dumping regarding all steel sold...

Mirror to-morrow as dispute ends

BY PAULINE CLARK, LABOUR STAFF

LONDON editions of the Daily Mirror are expected to be back on the news stands tomorrow for the first time in nearly two weeks...

Vorster heads for victory

University singing a psalm. There was a heavy mood in the hall as the National Union of Journalists agreed to effect to drop their claim for an immediate £3,000 pay rise...

Breaking up

The restrictive practices legislation, which when it was first applied to the supply of goods in 1956, resulted in the breaking up of many well-established trading patterns...

Pay problem

Last month the whole road haulage industry was referred to the Price Commission by Mr. Roy Hattersley, the Prices Secretary...

Continued from Page 1

Shipyard men may resist order switch

Shipbuilding has always been "hunger or bust." So often in the past managers have said about pay claims "You can't get it because we will go bankrupt."

Table with columns: BUSINESS CENTRES, HOLIDAY RESORTS, listing various locations and their characteristics.

Advertisement for Morgan Guaranty Trust Company of New York, featuring an image of Catherine House, EC2, and text describing the property and services.

Handwritten signature or mark at the bottom of the page.